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SUBAM PAPERS LIMITED
Corporate Identification Number: U21012TN2004PLC054403

Registered Office	Contact Person	Email and Telephone	Website
S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk- 627010, Tamil Nadu, India.	Mr. Poovalingam Nagarajan Company Secretary and Compliance Officer	Email ID: info@subampapers.com Tel No: +91 94863 03300	www.subampapers.com

PROMOTERS OF THE COMPANY: MR. T BALAKUMAR AND MS. SUDHA ALAGARSAMY

DETAILS OF THE ISSUE				
Type	Fresh Issue Size (In ₹ Lakhs)	OFS Size (In ₹ Lakhs)	Total Issue Size (In ₹ Lakhs)	Eligibility
Fresh Issue	Upto 62,50,000 Equity Shares amounting up to ₹ [●] Lakhs.	Nil	[●]	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(2) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

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

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the book built process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled “*Basis for Issue Price*” on page 103 of this Draft Red Herring Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

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


ISSUER’S ABSOLUTE RESPONSIBILITY

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


LISTING

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received “*In-Principle*” approval from BSE Limited for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated [●] letter no [●]. For the purpose of this Issue, the Designated Stock Exchange shall be SME Platform of BSE Limited (“BSE SME”).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 GRETEX CORPORATE SERVICES LIMITED	Ms. Neha Maiyan/ Ms. Rashmi Ranjan	Email: info@gretexgroup.com Tel No.: +91 96532 49863

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 BIGSHARE SERVICES PRIVATE LIMITED	Mr. Ganesh Shinde	Email: ipo@bigshareonline.com Tel: +91 22 6263 8200

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ ISSUE PERIOD	
ISSUE OPENS ON	[●] ⁽¹⁾
ISSUE CLOSES ON	[●] ⁽²⁾⁽³⁾

- (1) The Company may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.
- (2) Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
- (3) UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.



SUBAM PAPERS LIMITED

Corporate Identification Number: U21012TN2004PLC054403

Our Company was originally incorporated on October 06, 2004, as a Private Limited Company in the name of "Subam Papers Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on March 08, 2024, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Subam Papers Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on May 15, 2024 by the Registrar of Companies, Central Processing Centre. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled "Our History and Certain Other Corporate Matters" beginning on 119 of this Draft Red Herring Prospectus.

Registered Office: S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk- 627010, Tamil Nadu, India.

Contact Person: Mr. Poovalingam Nagarajan, Company Secretary and Compliance Officer

Email ID: info@subampapers.com; **Tel No:** +91 94863 03300; **Website:** www.subampapers.com.

Our Promoters: Mr. T Balakumar and Ms. Sudha Alagarsamy

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 62,50,000* EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF SUBAM PAPERS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "NET ISSUE"). THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND TAMIL EDITION OF [●]), (TAMIL BEING THE REGIONAL LANGUAGE OF TIRUNELVELI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED ("BSE SME") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank. The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the Corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI mechanism, as the case may be, to the extent of respective Bid Amounts, Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 306 of this Draft Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" on page 306 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the Book building process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled "Basis for Issue Price" on page 103 of this Draft Red Herring Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

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


ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received "In-Principle" approval from the BSE Limited for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated [●] letter no [●]. For the purpose of this Issue, the Designated Stock Exchange shall be SME Platform of BSE Limited ("BSE SME").

BOOK RUNNING LEAD MANAGER TO THE ISSUE


GRETEX CORPORATE SERVICES LIMITED
 A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Delisle Road, Mumbai, Mumbai-400013 Maharashtra, India
Tel. No.: +91 96532 49863
Email: info@gretexgroup.com
Website: www.gretexcorporate.com
Contact Person: Ms. Neha Maiyan/ Ms. Rashmi Ranjan
SEBI Registration No: INM000012177
CIN: L74999MH2008PLC288128

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
 S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India
Tel No.: +91 - 22 - 6263 8200; **Fax No.:** +91 - 22 - 6263 8299
E-mail: ipo@bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Ganesh Shinde
SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ ISSUE PERIOD	[●] ⁽¹⁾
ISSUE OPENS ON	[●] ⁽¹⁾
ISSUE CLOSES ON	[●] ⁽²⁾⁽³⁾

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

(2) Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

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

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Statements as Restated”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 108, 224, 338, 103, 184, 279 and 267 respectively, shall have the meaning ascribed to such terms in the relevant section.

GENERAL TERMS

Term	Description
“Subam Papers Limited”, “Subam”, “Subam Papers”, “SPL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, Subam Papers Limited refers to, a Public Limited Company incorporated as a Private Limited company under the Companies Act, 1956 and having its Registered Office at S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk - 627010, Tamil Nadu, India.
Promoter(s) / Core Promoter	The promoters of our Company being Mr. T Balakumar and Ms. Sudha Alagarsamy for further details, please refer to chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 162 of this Draft Red Herring Prospectus.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 162 of this Draft Red Herring Prospectus.

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher

Term	Description
	than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ General Information ” on page 5 of this Draft Red Herring Prospectus.
Bankers to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●].
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “ Issue Procedure ” on page 306 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “ Bidding ” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Tamil Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Tamil Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any

Term	Description
	revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Gretex Corporate Services Limited, SEBI Registered Category I Merchant Banker.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of Stock Exchanges (www.bseindia.com and www.nseindia.com) and are updated from time to time.
BSE SME	SME Platform of BSE Limited (“BSE SME”)
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Circular’s on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant’s beneficiary account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Collecting Registrar and Share Transfer Agent	Registrar to an Issue 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.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along

Term	Description
	with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Limited having its registered office at A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Delisle Road, Dadar (West), S V S Marg, Mumbai-400028, Maharashtra India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and are updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/ or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	The SME Platform of BSE Limited (“BSE SME”)
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated July 11, 2024 filed with the SME Platform of BSE Limited (“BSE SME”) in accordance with the SEBI ICDR Regulations.
DP	Depository Participant
DP ID	Depository Participant’s Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First / Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	Fresh Issue of upto 62,50,000 Equity Shares of face value ₹ 10.00 each of Subam Papers Limited for cash at a price of ₹ [●] per Equity Shares (including premium of ₹ [●] per Equity Shares) aggregating ₹ [●] Lakhs, by our Company.

Term	Description
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the BRLM.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of upto 62,50,000 Equity Shares of face value ₹10.00 each of Subam Papers Limited for cash at a price of ₹ [●] per Equity Shares (including premium of per ₹ [●] Equity Shares) aggregating ₹ [●] Lakh by our Company.
Issue Agreement	The agreement dated May 18, 2024, entered into between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective bidders can submit their applications, including any revisions thereof
Issue Price	The Final Price at which Equity Shares will be allotted to ASBA Bidders in terms of the Red Herring Prospectus. The Equity Shares will be allotted to Anchor Investors at Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the pricing date in accordance with the Book Building Process and the Red Herring Prospectus
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 89 of this Draft Red Herring Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated May 18, 2024, between our Company, the Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	[●] Equity Shares of ₹10.00 each at ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh reserved for subscription by the Market Maker.
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=40 or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.

Term	Description
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	The Issue excluding the Market Maker Reservation Portion of upto [●] Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakh by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India, or a Person of Indian Origin as defined under FEMA Regulations, as amended
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being [●] not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs 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 BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.

Term	Description
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated May 18, 2024, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI
Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder, and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SME Exchange	The SME Platform of BSE Limited
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
Sub Syndicate Member	A SEBI Registered member of BSE Limited appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Nonbanking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being [●].
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Limited.
Underwriting Agreement	The agreement dated May 18, 2024, entered into between the Underwriters, our Company and the Book Running Lead Manager.
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no.

Term	Description
	SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, 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 any subsequent circulars or notifications issued by SEBI in this regard.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
Working Days	All days on which commercial banks in Tirunelveli are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of, Subam Papers Limited as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled " Our Management " beginning on page 141 of this Draft Red Herring Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s C N G S N & Associates LLP holding a valid peer review certificate as mentioned in the section titled " General Information " beginning on page 51 of this Draft Red Herring Prospectus.
Banker to our Company	HDFC Bank Limited as disclosed in the section titled " General Information " beginning on page 51 of this Draft Red Herring Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled " Our Management " beginning on page 141 of this Draft Red Herring Prospectus.
CIN / Corporate Identification Number	U21012TN2004PLC054403
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled " General Information " beginning on page 51 of this Draft Red Herring Prospectus.
Company Secretary &	

Term	Description
Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ General Information ” beginning on page 51 of this Draft Red Herring Prospectus.
Director(s) / our directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Executive Directors	An Executive Director of our Company, as appointed from time to time
Financial Statements as Restated	The financial information of the Company which comprises of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Cash Flow Statement for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the related notes, schedules and annexures thereto included in this Draft Red Herring Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “ Our Group Companies ” on page 168 of this Draft Red Herring Prospectus.
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ Our Management ” beginning on page 141 of this Draft Red Herring Prospectus.
ISIN	International Securities Identification Number, being INE0U6201010
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ Our Management ” beginning on page 141 of this Draft Red Herring Prospectus.
Key Performance Indicators / KPI	Key factors that determine the performance of our Company
LLP	Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008.
MD or Managing Director	The Managing Director of our Company is Mr. T Balakumar
Materiality Policy	The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on May 17, 2024, in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled “ Our Management ” on page 141 of this Draft Red Herring Prospectus.
NRI/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “ Our Management ” beginning on page 141 of this Draft Red Herring Prospectus.

Term	Description
Registered Office	S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk- 627010, Tamil Nadu, India.
RoC / Registrar of Companies	Block No. 6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai-600034, Tamil Nadu.
Senior Management	The officers and personnel of the issuer who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
Stakeholders' Relationship Committee	The Stakeholder's Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled " Our Management " beginning on page 141 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited ("BSE SME")
You or Your or Yours	Prospective Investors in this Issue.

CONVENTIONAL AND GENERAL TERMS

Term	Description
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CGST	Central GST
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EBITDA	EBITDA divided by Revenue from Operations
ECS	Electronic Clearing System

Term	Description
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding

Term	Description
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Networth	The aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRI	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PAT Margin	PAT for the period/year divided by revenue from operations
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROCE	Return on Capital Employed
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Term	Description
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

TECHNICAL / INDUSTRY RELATED TERMS

Term	Full Form
BF	Bursting Factor
GSM	Grams per Square Metre
TPD	Tonnes Per Day
Reel Diameter	The reel diameter refers to the diameter of the large spool onto which the finished paper is wound
MW	Mega Watt
KW	Kilo Watt
MM	Mili Meter
MT	Metric Tonne
Recycling	Use of recovered wastepaper and board by paper mills to produce paper and boards
KPI	Key Performance Indicators
M&A	Mergers and Acquisitions
MNCs	Multi-National Companies
INR	Indian Rupees
PM	Paper Machine, Paper Mill, Pulp Mill, Preventive Maintenance, Pulp Machine
Cobb value	Refers to the Cobb Test, which is a standard test method used to measure the water absorption rate of paper or paperboard
RCT	stands for Ring Crush Test, it is a standard test method used to measure the compression strength of paper and paperboard
Moisture test	Refers to a standard test method used to measure the moisture content of paper or paperboard
RBI	Reserve Bank of India
Natural Shade	Wood pulp
Golden Yellow	Bleached pulp
Brown	Kraft paper
Deckle	The deckle is used to control the size and shape of the paper being produced by limiting the flow of pulp to a specific area, the movable frame on a papermaking machine that determines the width of the paper sheet being formed.
IPMA	Indian Paper Manufacturers Association
CAGR	Compounded Annual Growth Rate
MNCs	Multi-National Companies
FICCI	Federation of Indian Chambers of Commerce and Industry
EPFO	The Employees' Provident Fund Organisation
FMCG	Fast Moving Consumer Goods
GVA	Gross Value Added
IBEF	India Brand Equity Foundation
IIP	Index of Industrial Production
PLI	Productivity Linked Incentive

Term	Full Form
SEZ	Special Economic Zone
Boiler Plant	A boiler is a closed vessel in which fluid (generally water) is heated. The fluid does not necessarily boil. The heated or vaporized fluid exits the boiler for use in various processes or heating applications, including water heating, central heating, boiler-based power generation, cooking, and sanitation.
Corrugated boxes	Corrugated box is industrially prefabricated box made from Kraft paper and other paper, primarily used for packaging goods and materials and can also be recycled.
Kraft Paper	Kraft paper or Kraft is paper or paperboard (cardboard) produced from chemical pulp including wood pulp and / or recycled waste produced in the Kraft process.
Duplex Board	Duplex board, a distinguished type of paperboard, is characterized by its unique composition - a glossy coated surface on one side complemented by a matte surface on the other.
Paper Cones	Paper cones are conically shaped objects made from paper or cardboard materials. They are used in a variety of applications due to their lightweight, eco-friendly, and cost-effective nature.
Paper Tubes	Paper tubes and cores are cylindrical products made from layers of paper or cardboard, wound around a mandrel and bonded together with adhesives. They are used in various industries due to their strength, versatility, and recyclability.
Anaerobic Technology	Reactor Anaerobic Reactor Technology refers to a set of processes used for the treatment of wastewater or organic waste in the absence of oxygen. These reactors utilize anaerobic microorganisms to break down biodegradable material, resulting in the production of biogas (mainly methane and carbon dioxide) and treated effluent. Anaerobic reactors are particularly effective for treating high-strength industrial wastewaters, agricultural wastes, and municipal sewage sludge.

ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE Limited
BSE SME	SME Platform of BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CCI	The Competition Commission of India
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax

Abbreviation	Full Form
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA / ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DIY	DIY stands for "Do It Yourself"
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM / EOGM	Extraordinary General Meeting
EOT Crane	Electric Overhead Travelling Crane
ETP	Effluent Treatment Plant
ESOP	Employee Stock Option Plan
EXIM / EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FSC	Forest Stewardship Council
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI / Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / Rupees / Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual

Abbreviation	Full Form
i.e.	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Book Running Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Master of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Postgraduate
PAC	Persons Acting in Concert
P / E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks

Abbreviation	Full Form
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SR	Schopper-Riegler
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US / United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, “the Company”, “our Company” “Subam Papers”, “SPL”, “the Issuer” and “Subam”, unless the context otherwise indicates or implies, refers to Subam Papers Limited.

CERTAIN CONVENTION

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India. In this Draft Red Herring Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Statements for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “*Reports in Company Prospectus (Revised 2019)*” issued by ICAI and the Indian GAAP which are included in this Draft Red Herring Prospectus, and set out in “*Financial Statements as Restated*” on page 224 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Draft Red Herring Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that calendar year, so all references to a particular financial year 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.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Draft 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, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Draft Red Herring Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Draft Red Herring Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 224 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 5 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 338 of this Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

CURRENCY AND UNITS OF PRESENTATION

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to

- (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India;
- (b) ‘US Dollars’ or ‘US \$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

DEFINITIONS

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page 5 of this Draft Red Herring Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page 338 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified either by the Company or the Book Running Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI (ICDR) Regulations, “*Basis for Issue Price*” on page 103 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 32 of this Draft Red Herring Prospectus.

EXCHANGE RATES

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

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

Currency*	For financial year ended on		
	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
USD	83.37	82.22	75.81

*Source: www.fbil.org.in

Note:

- (1) All figures are rounded up to two decimals.
- (2) If the reference rate is not available on a particular date due to a public holiday, exchange rates for the previous working day have been disclosed.

TIME

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the our Sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility 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. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Performance of the Paper Packaging Manufacturing industry in India, generally.
- Geographical concentration of business to key cities.
- Failure to obtain, maintain or renew our statutory and regulatory approvals, licenses and registrations required to operate our business.
- Significant increases in prices of, or shortages of, or disruption in supply of labour and key building materials;
- Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
- Our ability to attract, retain and manage qualified personnel;
- Dependencies on our development partners to fulfil their obligations under the respective joint development agreements;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Failure to adapt to the changing scenarios in our industry of operation may adversely affect our business and financial condition;
- General economic and business conditions in India and other countries;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in industry which we operate;
- Factors affecting the industry in which we operate
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Fluctuations in foreign exchange rate;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 32, 113 and 225 of this Draft Red Herring Prospectus, 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 differ from those that have been estimated.

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

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Book Running Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II: SUMMARY OF ISSUE DOCUMENT

The following is a general summary of the terms of the Issue included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Summary of Financial Information”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on page 32, 54, 60, 89, 113, 113, 213, 54, 267 and 306 respectively of this Draft Red Herring Prospectus.

OVERVIEW OF INDUSTRY

The paper and packaging sector in India is growing rapidly and has significant potential for future expansion. The industry was valued at \$50.5 billion in 2019 and is anticipated to reach \$204.81 billion by 2025, registering a CAGR of 26.7% from 2020 to 2025. The growth in the sector is being driven by a surge in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing industry and healthcare sector. Additionally, numerous government initiatives including 'Make in India' had positive impact on the packaging industry. The paper and packaging industry is currently the fifth largest sector in the Indian economy and has the potential to achieve pricing levels that are about 40% cheaper compared to European regions.

OVERVIEW OF BUSINESS

We are a company engaged in the manufacturing of Kraft Paper and Paper Products. We proudly call ourselves as a packaging solution providing company. Subam started its journey in the year 2004 with manufacturing of paper cones and later expanded the product base by adding Duplex board and Kraft paper in its portfolio. Our company is not like the traditional paper manufactures, we do not manufacture our products from wood pulp but instead we use waste paper as our raw material. We aim to preserve mother nature and tend to drive our company on the principle of recycling. Our company leverages wastepaper as the primary raw material in the production of Kraft Paper and Duplex Board.

OUR PROMOTERS

As on date of filing of Draft Red Herring Prospectus our company is promoted by Mr. T Balakumar and Ms. Sudha Alagarsamy.

DETAILS OF THE ISSUE

Equity Shares Offered Present Issue of Equity Shares by our Company.	Issue of upto 62,50,000 Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●].
Out of which:	
Market Maker Reservation Portion	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.
Net Issue to the Public	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.

OBJECT OF THE ISSUE

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

(₹ in lakhs)				
Sr. No.	Particulars	Total Estimated Expenditure	Amount Deployed till Date of Filing this Document	Amount to be Financed and deployed from Net Proceeds by the Financial Year ended March 31, 2025
1	Investment in Subsidiary for Financing its Capital Expenditure requirements	7,500.00	--	7,500.00
2	General Corporate Purposes*	[●]	--	[●]
	Total	[●]	--	[●]

*General Corporate Purpose shall not exceed 25% of the Net Issue Proceeds

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

Sr. No.	Category of Promoters and Promoter Group	Pre – Issue	
		No. of Shares	As a % of paid-up Equity Capital
A.	Promoters		
	Mr. T Balakumar	84,57,700	49.52
	Ms. Sudha Alagarsamy	28,66,450	16.78
	Total (A)	1,13,24,150	66.30
B.	Promoter Group		
	B.M.M. Paper Board Private Limited	15,74,580	9.22
	Mr. Venkadasamy Thirupathi	10,00,000	5.85
	Mr. Solaisamy Solaisamy Alagarsamy	10,00,000	5.85
	Ms. Ramasamy Premavathi	9,80,952	5.74
	Saradhambika Paper and Board Mills Private Limited	2,75,030	1.61
	Ms. Madhumitha Balakumar	38,960	0.23
	Total (B)	48,69,522	28.51
	Total (A+B)	1,61,93,672	94.81

SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ in Lakhs)

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Share Capital	162.77	162.77	162.77
Reserves and surplus	19,741.35	16,399.55	16,426.34
Net Worth	19,904.12	16,562.32	16,589.11
Total Income	49,697.31	51,062.36	33,259.87
Profit after Tax	3,341.80	(26.79)	2,600.23
Total Borrowings	18,340.77	16,282.61	15,573.37
Other Financial Information			
Basic & Diluted EPS (Post Bonus) (₹)	20.53	(0.16)	15.98
Return on Net worth (%)	16.79%	(0.16)%	15.67%
Net Asset Value Per Share (Pre-Bonus) (₹)	1,222.86	1,017.55	1,019.19
Net Asset Value Per Share (Post Bonus) (₹)	122.29	101.75	101.92

QUALIFICATION OF THE AUDITORS

The Auditor report of Restated Financial Statements of our Company does not contain any qualification which have not been given effect to in Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

(Rs. In Lakhs)

Nature of Proceedings	Number of cases	Amount involved*
A. Of the Issuer Company		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	*2	Unascertainable
Direct Tax (TDS)	13	12.20
Indirect Tax (GST) Demand Notice	#7	1,230.46
Indirect Tax (GST) E Proceedings	**6	Unascertainable
B. Of the Wholly-Owned Subsidiary Companies		
Subam Paper and Boards Private Limited		
Income Tax (Outstanding Demand)	^^1	32.67
Income Tax (E Proceedings)	^1	Unascertainable
Direct Tax (TDS)	2	0.68

Indirect Tax (GST) Demand Notice	Nil	Nil
Indirect Tax (GST) E Proceedings	Nil	Nil
Subam Agro Ventures Private Limited		
Income Tax (Outstanding Demand)	1	1.97
Income Tax (E Proceedings)	Nil	Nil
Direct Tax (TDS)	Nil	Nil
Indirect Tax (GST) Demand Notice	Nil	Nil
Indirect Tax (GST) E Proceedings	Nil	Nil
C. Of the Promoters and Directors		
Mr. T Balakumar		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil
Ms. Sudha Alagarsamy		
Income Tax (Outstanding Demand)	1	0.51
Income Tax (E Proceedings)	Nil	Nil
Mr. Ramasubbu Venkatesh		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil
Mr. Gurusamy Rathakrishna		
Income Tax (Outstanding Demand)	1	7.02
Income Tax (E Proceedings)	##1	Unascertainable
Mr. Chelladurai Gunasingh Prithiviraj		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil

Notes:

Of the Company- (Income Tax)-E - Proceedings

1. *Company has received a Notice dated February 06, 2024, U/s 133 of Income Tax Act 1961 for non-deduction of TDS for FY 2021-22 for remittances of Rs. 25,47,165, 20,46,147, 16,45,643 without deducting the TDS.
2. *Company has received a Notice dated December 14, 2022, U/s 143(1)(a) of Income Tax Act 1961 proposing adjustments to the Total Income for the AY 2022-23

Of the Company-(GST) Outstanding Demand

1. # Company has received a Show Cause Notice- cum- demand, DRC-01 for RS. 4,18,64,802/- dated May 31, 2024, on the basis of an audit conducted for the FY 2019-2020. The Company has already submitted its reply on June 03, 2024, and also explained that they have already deposited the tax as per some of the observations in the Show Cause Notice vide DRC-03 dated June 03, 2024 and February 28, 2023, amounting to Rs. 29,39,168/-. Company has also submitted the explanation for other observations but the final order for the same is yet to be received, so we have considered Rs. 3,89,25,364/- as the outstanding demand.
2. #Company has received summary of demand order in DRC -07 dated April 29, 2024 for the FY 2018-19 for the amount Rs.7,40,15,071 penalty towards excess claim of ITC, non - reversal of ITC on Ineligible ITC and certain other issues. Company has filed an Appeal dated June 21, 2024, against the order dated April 29, 2024. Final order in the matter is yet to be received.
3. #Company has received intimation of demand in DRC -01 A for the FY 2020-21 for the amount Rs. 92,55,633
4. #Company has received intimation of demand in DRC -01A for wrong claim of ITC for the FY 2020-21 for the amount Rs. 2,05,348
5. #Company has received a show cause cum demand notice in DRC -01 pending interest payments for the FY 2021-22 for the amount Rs. 4,193
6. #Company has received intimation of demand in DRC -01A for wrong claim of ITC for the FY 2021-22 for the amount Rs. 5,78,610
7. #Company has received intimation DRC -01A for wrong claim of ITC due to difference between GSTR3B vs GSTR2A for the FY 2022-23 for the amount Rs. 61,422

Of the Company -(GST)-E - Proceedings

- ** Company has received Notice for intimating discrepancies in the return after scrutiny u/s.61 in ASMT-10 Discrepancy in GSTR 2B Vs GSTR 3B for the FY 2020-21, with Total Difference in SGST ITC Rs. 1,13,23,346/-, in CGST ITC Rs.1,13,23,346/-, in IGST ITC Rs.13,06,398/- and CESS Rs.11,36,987/-. No demand has been raised in the matter.
- ** Company has received a Notice for intimating discrepancies in the return after scrutiny u/s.61 in ASMT-10 Discrepancy in GSTR 1 Vs GSTR 3B for the FY 2020-21 with Total Difference in Turnover as Rs1,84,59,487 /-and in IGST as Rs.6,49,962/-. No demand or show cause notice has been received in the matter.
- ** Company has received Notice for intimating discrepancies in the return after scrutiny for the FY 2018-19 with difference in Tax Liability as Rs.1,30,16,790.57/-. No demand has been raised in the matter as on date.
- ** Company has received ASMT-10 Notice for intimating discrepancies after scrutiny u/s.61 in GSTR 2B Vs GSTR 3B for FY 2022-23 with total difference in SGST ITC as Rs.4,86,862, CGST ITC as Rs.4,86,862, IGST ITC as Rs.37,03,218/-. No demand notice has been received in the matter.
- ** Company has received Notice for Seeking Clarification on The Discrepancies Found During Audit for the FY 2020-2021. The Company is yet to reply for the same and the proceeding is still pending.
- ** Company has received Notice for Seeking Clarification on The Discrepancies Found During Audit for the FY 2021-2022. The Company is yet to reply for the same and the proceeding is still pending.

Subam Paper and Boards Private Limited- (Income Tax)-Outstanding Demand and E – Proceedings

- ^^Our Company has sought rectification on July 08, 2024, of order number CPC/2223/A6/404109105 for the assessment year 2022-2023 and the said Rectification Acknowledgement Number is 621973880080724
- ^Company has received a Notice u/s 133(6) of the Income Tax Act, 1961 – Verification of details furnished in Form No.15CA in view of non-deduction/ lower deduction of tax at source for financial year 2021-22 PAN: ABDCS9966N - reg. AY 22-23 dated February 06, 2024

Gurusamy Rathakrishna- (Income Tax)-E - Proceedings

- ## Notice under section 143(1)a of the IT Act, 1961 for proposed adjustment of Rs.17,43,377 on account of inconsistencies between Other Source Income in the return and Form 26AS for AY 2017-18.

For the details of litigation proceedings, please refer the chapter titled “**Outstanding Litigations and Material Developments**” on page 4 of this Draft Red Herring Prospectus.

RISK FACTORS

Investors should read chapter titled “**Risk Factors**” beginning on page 32 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our company’s contingent liabilities as:

(₹ in Lakhs)		
Sr. No.	Particulars	Amount (in ₹)
1.	Income Tax demands / Notices before CIT Appeals / TDS	12.20
2.	Bank Guarantees / Corporate Guarantees	2,000.00

For further information, please see “**Financial Information**” beginning on page 224 of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(₹ in Lakhs)				
Particulars	Relationship	for the period ended March 31, 2024	for the period ended March 31, 2023	for the period ended March 31, 2022
Director Remuneration				
A.Sudha	Key Management Personnel	10.00	13.00	47.00
B.Madhumitha	Key Management Personnel	12.00	13.00	42.00
Freight charges				
BMM Transport	KMP's interested Concern	79.86	54.12	-
Fuel charges received				

Particulars	Relationship	for the period ended March 31, 2024	for the period ended March 31, 2023	for the period ended March 31, 2022
BMM Transport	KMP's interested Concern	-	37.89	-
Interest income				
Mayura Packaging Private Limited	KMP's interested Concern	16.79	67.18	67.18
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	-	116.86
Interest paid				
A.Sudha	Key Management Personnel	10.82	-	-
T.Balakumar	Key Management Personnel	10.21	-	-
Lease rent				
BMM Paper Board Private Limited	Associate Concern	-	2.40	1.20
Unicone-Prop.T.Balakumar	KMP's interested Concern	200.00	166.67	100.00
Loans Availed				
A.Sudha	Key Management Personnel	114.24	-	-
B Madhumitha	Key Management Personnel	0.41	-	-
T.Balakumar	Key Management Personnel	33.29	-	-
Power charges				
Unicone-Prop.T.Balakumar	KMP's interested Concern	334.15	216.59	104.93
Purchase of asset				
Saradhambika Paper & Board Mills Private Limited	Associate Concern	2.10	-	-
Unicone-Prop.T.Balakumar	KMP's interested Concern	1.50	5.26	-
Purchase of materials				
BMM Paper Board Private Limited	Associate Concern	-	5.94	-
Mayura Packaging Private Limited	KMP's interested Concern	649.54	369.85	39.35
Saradhambika Paper & Board Mills Private Limited	Associate Concern	361.72	873.33	595.65
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	26.58	411.12
Retainer Fees				
P.Balagurunathan	Key Management Personnel	5.60	8.28	6.96
R.Venkatesh	Key Management Personnel	27.00	26.50	21.00
Sale of asset				
Saradhambika Paper & Board Mills Private Limited	Associate Concern	-	0.81	-
Sale of goods				
BMM Paper Board Private Limited	Associate Concern	9.26	12.89	-
Mayura Packaging Private Limited	KMP's interested Concern	2,770.40	3,124.35	2,726.95
Saradhambika Paper & Board Mills Private Limited	Associate Concern	71.30	84.21	190.68
Unicone-Prop.T.Balakumar	KMP's interested Concern	107.65	5.60	91.59
Staff welfare				
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	-	0.11
Technical fees Received				
Saradhambika Paper & Board Mills Private Limited	Associate Concern	240.00	120.00	60.00
Travel expense				
T.Balakumar	Key Management Personnel	1.00	0.16	0.43

For details of the Related Party Transactions as reported in the Restated Financials, please refer "*Financial Statements as restated –Related Party Transactions*" on page 184 of this Draft Red Herring Prospectus.

FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Director of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 months immediately preceding the date of filing of this Draft Red Herring Prospectus.

WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as below:

Name of the Promoters	Weighted Average Price (₹)
Mr. T Balakumar	0.84
Ms. Sudha Alagarsamy	0.00

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Red Herring Prospectus is:

Name of the Promoters	Average Cost of Acquisition (₹)
Mr. T Balakumar	17.89
Ms. Sudha Alagarsamy	4.65

PRE-IPO PLACEMENT DETAILS

Our Company has not proposed any Pre-IPO Placement in this Issue.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Other than as disclosed in “*Capital Structure*” on page 60 of this Draft Red Herring Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Draft Red Herring Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Other than as disclosed in “*Capital Structure*” on page 60 of this Draft Red Herring Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

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

Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.

SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “*Our Business*” beginning on page 113, “*Our Industry*” beginning on page 113 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 225 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively.
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material at present but may have material impact in future.

The financial and other related implications of the risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our restated financial statements under Indian GAAP, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “*Definitions and Abbreviations*” beginning on page 5 of this Draft Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as Internal and External for clarity and better understanding.

INTERNAL RISKS

A. BUSINESS RELATED RISKS

- 1. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.*

There are certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For the details of the cases please refer the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 267 of this Draft Red Herring Prospectus A summary of the pending civil and other proceedings involving Our Company is provided below:

A classification of legal proceedings is mentioned below:

(Rs. In Lakhs)

Nature of Proceedings	Number of cases	Amount involved*
A. Of the Issuer Company		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	*2	Unascertainable
Direct Tax (TDS)	13	12.20
Indirect Tax (GST) Demand Notice	#7	1,230.46
Indirect Tax (GST) E Proceedings	**6	Unascertainable
B. Of the Wholly Owned Subsidiary Companies		
Subam Paper and Boards Private Limited		
Income Tax (Outstanding Demand)	1	32.67
Income Tax (E Proceedings)	^1	Unascertainable
Direct Tax (TDS)	2	0.68
Indirect Tax (GST) Demand Notice	Nil	Nil
Indirect Tax (GST) E Proceedings	Nil	Nil
Subam Agro Ventures Private Limited		
Income Tax (Outstanding Demand)	1	1.97
Income Tax (E Proceedings)	Nil	Nil
Direct Tax (TDS)	Nil	Nil
Indirect Tax (GST) Demand Notice	Nil	Nil
Indirect Tax (GST) E Proceedings	Nil	Nil
C. Of the Promoters and Directors		
Mr. T Balakumar		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil
Ms. Sudha Alagarsamy		
Income Tax (Outstanding Demand)	1	0.51
Income Tax (E Proceedings)	Nil	Nil
Mr. Ramasubbu Venkatesh		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil
Mr. Gurusamy Rathakrishna		
Income Tax (Outstanding Demand)	1	7.02
Income Tax (E Proceedings)	##1	Unascertainable
Mr. Chelladurai Gunasingh Prithiviraj		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil

Notes:

Of the Company- (Income Tax)-E - Proceedings

- *Company has received a Notice dated February 06, 2024, U/s 133 of Income Tax Act 1961 for non-deduction of TDS for FY 2021-22 for remittances of Rs. 25,47,165, 20,46,147, 16,45,643 without deducting the TDS.
- *Company has received a Notice dated December 14, 2022, U/s 143(1)(a) of Income Tax Act 1961 proposing adjustments to the Total Income for the AY 2022-23

Of the Company-(GST) Outstanding Demand

- # Company has received a Show Cause Notice- cum- demand, DRC-01 for RS. 4,18,64,802/- dated May 31, 2024, on the basis of an audit conducted for the FY 2019-2020. The Company has already submitted its reply on June 03, 2024, and also explained that they have deposited the tax as per some of the observations in the Show Cause Notice vide DRC-03 dated June 03, 2024 and February 28, 2023 amounting to Rs. 29,39,168/-. Company has also submitted the

explanation for other observations but the final order for the same is yet to be received, so we have considered Rs. 3,89,25,364/- as the outstanding demand.

2. #Company has received summary of demand order in DRC -07 dated April 29, 2024 for the FY 2018-19 for the amount Rs.7,40,15,071 penalty towards excess claim of ITC, non - reversal of ITC on Ineligible ITC and certain other issues. Company has filed an Appeal dated June 21, 2024, against the order dated April 29, 2024. Final order in the matter is yet to be received.
3. #Company has received intimation of demand in DRC -01 A for the FY 2020-21 for the amount Rs. 92,55,633
4. #Company has received intimation of demand in DRC -01A for wrong claim of ITC for the FY 2020-21 for the amount Rs. 2,05,348
5. #Company has received a show cause cum demand notice in DRC -01 pending interest payments for the FY 2021-22 for the amount Rs. 4,193
6. #Company has received intimation of demand in DRC -01A for wrong claim of ITC for the FY 2021-22 for the amount Rs. 5,78,610
7. #Company has received intimation DRC -01A for wrong claim of ITC due to difference between GSTR3B vs GSTR2A for the FY 2022-23 for the amount Rs. 61,422

Of the Company -(GST)-E - Proceedings

1. **Company has received Notice for intimating discrepancies in the return after scrutiny u/s.61 in ASMT-10 Discrepancy in GSTR 2B Vs GSTR 3B for the FY 2020-21, with Total Difference in SGST ITC Rs.1,13,23,346/-, in CGST ITC Rs.1,13,23,346/- , in IGST ITC Rs.13,06,398/-, and CESS Rs.11,36,987/-. No demand has been raised in the matter.
2. ** Company has received a Notice for intimating discrepancies in the return after scrutiny u/s.61 in ASMT-10 Discrepancy in GSTR 1 Vs GSTR 3B for the FY 2020-21 with Total Difference in Turnover as Rs1,84,59,487 /-and in IGST as Rs.6,49,962/-. No demand or show cause notice has been received in the matter.
3. ** Company has received Notice for intimating discrepancies in the return after scrutiny for the FY 2018-19 with difference in Tax Liability as Rs.1,30,16,790.57/-. No demand has been raised in the matter as on date.
4. ** Company has received ASMT-10 Notice for intimating discrepancies after scrutiny u/s.61 in GSTR 2B Vs GSTR 3B for FY 2022-23 with total difference in SGST ITC as Rs.4,86,862, CGST ITC as Rs.4,86,862, IGST ITC as Rs.37,03,218/-. No demand notice has been received in the matter.
5. ** Company has received Notice for Seeking Clarification on The Discrepancies Found During Audit for the FY 2020-2021. The Company is yet to reply for the same and the proceeding is still pending.
6. ** Company has received Notice for Seeking Clarification on The Discrepancies Found During Audit for the FY 2021-2022. The Company is yet to reply for the same and the proceeding is still pending.

Subam Paper and Boards Private Limited- (Income Tax)-Outstanding Demand and E – Proceedings

1. ^Our Company has sought rectification on July 08, 2024, of order number CPC/2223/A6/404109105 for the assessment year 2022-2023 and the said Rectification Acknowledgement Number is 621973880080724
2. ^Company has received a Notice u/s 133(6) of the Income Tax Act, 1961 – Verification of details furnished in Form No.15CA in view of non-deduction/ lower deduction of tax at source for financial year 2021-22 PAN: ABDCS9966N - reg. AY 22-23 dated February 06, 2024

Gurusamy Rathakrishna- (Income Tax)-E - Proceedings

1. ##Notice under section 143(1)a of the IT Act, 1961 for proposed adjustment of Rs.17,43,377 on account of inconsistencies between Other Source Income in the return and Form 26AS for AY 2017-18.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

For further details of litigation proceedings, please refer the chapter titled “**Outstanding Litigations and Material Developments**” on page 267 of this Draft Red Herring Prospectus.

2. The availability of raw material, i.e. waste paper is very crucial for our business activities.

Wastepaper is the basic raw material used for our manufacturing, non-availability of wastepaper or availability at a higher cost can significantly affect our financial performance. In financial year 2022-2023, our company's financial performance was severely affected due to non-availability of raw material. In financial year 2022-2023 due to certain sanctions, the import of wastepaper was reduced and this impacted our business. The Profit for the financial year 2022-2023 decreased to Rs. (26.79) lakhs from Rs. 2,600.23 lakhs in the financial year 2021-2022. However, if there are any instances in future which curtails the requirement of raw material it could impact our financial position and would result in degrowth of the company. Also, our company is dependent on third party suppliers for procuring the raw materials required for manufacturing of our products. We are exposed to fluctuations in the prices of these raw materials, we typically do not enter into any long-term supply agreements with our suppliers for raw materials. We may be unable to control the factors affecting the price at which we procure the raw materials for products we get manufactured. We also face the risks associated with compensating for or passing on such increase in our cost of trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of traded goods may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our production/trade cycles and delivery schedules, which may result in the loss of our customers and revenues.

3. We have received certain notices from the GST Department indicating huge discrepancies which may translate into Demand against us and potentially harming our business, reputation, and financial performance

On June 29, 2024, we received two notices requesting clarification on discrepancies identified during audits for FY 2020-2021 and FY 2021-2022. The discrepancies amount to Rs. 282.71 Lakhs and Rs. 1,494.72 Lakhs, respectively, including tax, penalty, and interest. We have not yet responded to these notices. There is no assurance that the GST Department will accept our explanations.

Should these notices translate into demand letters in the future, our business may face adverse effects. For more details, please refer to the chapter "**Outstanding Litigation and Material Developments**" on page 267 of Draft Red Herring Prospectus.

4. We highly depend on our major raw materials and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for the supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.

Our Company is engaged in the business of manufacturing paper and paper packaging products. Therefore, we are highly dependent on waste paper which is the primary component of our manufacturing process. Thus, if we experience a significant increase in demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all. Our Company maintains a list of registered suppliers from whom we procure the materials on an order basis as per our internal demand projections. We have not entered into long-term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation of production by these suppliers or the failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

Percentage of Top Suppliers of *Total Purchases:

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
% wise Top 1 of Total Purchases	5.47%	5.74%	6.33%
% wise Top 3 of Total Purchases	13.00%	13.56%	16.25%
% wise Top 5 of Total Purchases	19.00%	20.42%	22.80%
% wise Top 10 of Total Purchases	29.08%	30.26%	35.22%

* Total Purchases are inclusive of Purchase of Raw Material, Power and Fuel and Consumption of Stores and Spares

5. We conduct our business activities on a purchase order basis and therefore have not entered into long-term agreements with our customers.

Our Company is engaged in the business of manufacturing of papers and paper packaging products based on orders which are received from our customers. We have not entered into any formal agreements, arrangement or any other understanding with our customers and therefore, our business is dependent upon the continuous relationship with the customers, our traders and the quality of products supplied to us. Further, neither do we have any exclusive agents, dealers, distributors nor have we entered into any agreements with any of the market intermediaries for selling or marketing the products supplied to us. If there occurs any change in the market conditions, market trends, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

Percentage of our Top Customers of Total Sales:

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
% wise Top 1 of Total Sales	5.66%	6.18%	8.39%
% wise Top 3 of Total Sales	14.79%	14.18%	21.30%
% wise Top 5 of Total Sales	20.59%	19.61%	31.20%
% wise Top 10 of Total Sales	29.44%	27.62%	38.62%

6. If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.

We compete with local companies, multi-national corporations and companies from the rest of world. If our competitors gain significant market share at our expense, our business, results of operations and financial condition could be adversely affected. Many of our competitors may have better financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Also, we face pressure on our margins due to pricing competition from several organised and small local players. Presence of more players in the sector has resulted in increasingly competitive environment characterized by stiff price competition.

We also operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all our business areas. Furthermore, if one of our competitors acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

7. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.

Our business requires us to obtain and renew from time-to-time certain approvals, licenses, registrations and permits, some of which we have not obtained or they have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal.

In particular, the Company is yet to receive the registration under Tamil Nadu Shops & Establishments Act, 1947 for the Godown situated at 'S.F.No. 173/1B2, Periyakattuthottam, Velampatti, north Anvinashipalayam Village, Tiruppur – 641665'.

The approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory

action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations.

In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be involved in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

For further details of the approvals yet to be obtained by us, and please see the chapter titled **“Government and Other Statutory Approvals”** beginning on page 197 of this Draft Red Herring Prospectus.

8. *Our Company has been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016*

Our Company has been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016

One of the operational creditors of the company namely Exim Routes Pte Limited had file a petition against the company under Section 9 of the Insolvency and Bankruptcy Code, 2016 vide petition No: CB(IB)/172(CHE)/2022, involving amount of US\$ 1,58,490.90 The issue was amicably settled and the said operational creditor withdrew the petition on October 06, 2022 and NCLT vide its order dated October 11, 2022 stated that the case is ‘Disposed’.

As of now, there are no ongoing NCLT cases against our company. However, we cannot guarantee that we will not face similar proceedings in the future.

9. *Our Company is reliant on the demand from the paper and packaging industry for a significant portion of our revenue. Any downturn in the paper and packaging industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company’s business and results of operations.*

Our Company is engaged in the business of manufacturing of paper and paper packaging products. therefore, our revenues are highly dependent on our customers from the paper and packaging industry and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations. Further, in the event, there takes place a shift of practice of developing our products in-house in the pharmaceutical industries, it may have an adverse impact on the demand for our products. Similarly, in the event of any new breakthrough in the development of a novel product or raw material by our competitors or customers, our products may become obsolete or be substituted by such alternatives; thereby impacting our revenues and profitability adversely. It may also happen that our competitors are able to improve the efficiency of their manufacturing process or their distribution or raw materials sourcing process and thereby offer their similar or high-quality products at lower price our Company may be unable to adequately react to such developments which may affect our revenues and profitability.

10. *Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our manufacturing facility may have a material adverse effect on our business, results of operations and financial condition.*

Our manufacturing facility is subject to operating risks, such as unavailability of spare parts of the machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position and results of our operations. In the event, we are forced to shut down our manufacturing unit for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition. Spiralling cost of living around our unit may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness. In addition to the above if our manufacturing unit suffers losses as a result of any industrial accident, we may be forced to shut down our manufacturing unit which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing unit may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our manufacturing unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

11. *Majority of our revenue is dependent on two products i.e., Kraft Paper and Duplex Paper, if we are unable to anticipate or adapt to evolving upgradation of products or inability to ensure product quality or reduction in the demand of such products may adversely impact our revenue from operations and growth prospects.*

Majority of our revenue is dependent on two products i.e., Kraft Paper and Duplex Paper amounting to 55.50% and 28.12% respectively of the total sales of the Company as on March 31, 2024. Our continued reliance on single business segment for substantial portion of our revenue exposes us to risks, including but not limited to, reduction in the demand of the products in the particular segment in the future; increased competition from regional and national players; the invention of superior and cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties and the general economic conditions. Any occurrences of such event could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

Our company is in continuous process of expanding its product portfolio, however, there is no assurance that we will be able to introduce such product line successfully.

12. We generate our major portion of sales from our operations in certain geographical regions especially Tamil Nadu Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

For the year ended March 31, 2024, Our Company generated major sales from our customers situated at Tamil Nadu. Remaining revenue is generated by our company from the state of Andhra Pradesh, Karnataka, Kerala, Puducherry and Telangana. And states like Chhattisgarh and Maharashtra have a minor contribution towards revenue. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in these regions to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us.

Our inability to expand into areas outside Tamil Nadu may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise to mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

13. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact the results of operations.

We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables.

Particulars	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Trade Receivables (In ₹ Lakhs)	11,076.29	9,481.82	8,880.53

There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. While we have not faced such incidents in the past, if we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

14. Our Solar Plants and Godown is not owned by us. The same is occupied by us on a lease basis. Disruption of our rights as lessee or termination of the agreement with our lessor would adversely impact our operations and, consequently, our business.

Following locations of the Company are on lease:

Sr. No.	Location	Document and Date	Period of Lease	Name of Lessor	Usage
1.	Survey Number 473/1, 2, 474/1, 2,503/1,2,504/1, 508/4, 5 509/1, 2, 510/1, 2 of Sanganthiradu Village, Tirunelveli Taluk.	Lease deed dated March 07, 2022	28 Years	Subam Agro Ventures Private Limited	Solar Plant
2.	Survey Number 472/1(p) 472/2(p) 511/1, 2, 515/1, 2 of Sanganthiradu Village, Tirunelveli Taluk	Lease deed dated March 07, 2022	28 Years	Subam Agro Ventures Private Limited	Solar Plant
3.	S.F.No. 173/1B2, Periyakattuthottam, velampatti, north Anvinashipalayam Village, Tiruppur - 641665	Lease deed dated February 28, 2024	11 Months	Mr. M Jaganathan	Godown

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

15. Our business involves usage of manpower and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our functions for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

16. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be obtained by our Issuer Company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We require several statutory and regulatory permits, licenses, and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Presently, we have applied for updating licenses and approvals in the name of “Subam Papers Limited” from “Subam Papers Private Limited”. Also, we are yet to receive and renew several approvals and licenses. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. We require to keep already obtained valid key approvals such as Tax Registration, Shops and Establishment License, etc. for running our operations in a smooth manner. Some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses, or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

17. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on our company is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

18. Our Group Companies i.e. Saradhambika Paper and Board Mills Private Limited, B.M.M. Paper Board Private Limited and Mayura Packaging Private Limited operate in a similar line of business to us, which may lead to conflict of interest.

Our Group Companies i.e. Saradhambika Paper and Board Mills Private Limited, B.M.M. Paper Board Private Limited and Mayura Packaging Private Limited are in a similar line of business as of our Company. Hence, we may have to compete with our Group Companies for business, which may impact on our business, financial condition and results of operations. We cannot assure that our Promoters who have common interest in said company will not favour the interest of said company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and this group companies in circumstances where our respective interests' conflict. In cases of conflict, our Promoters may favour this company and there can be no assurance that our Promoters or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours.

Name of Group Company	Business
Saradhambika Paper and Board Mills Private Limited	Manufacturing and sale of Kraft Paper and Paper Boards
B.M.M. Paper Board Private Limited	Sale of Paper Boards
Mayura Packaging Private Limited	Manufacturing of Corrugated Boxes

However, our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

19. Exchange rate fluctuations may adversely affect our results of operations as we import a significant value of raw materials from various countries internationally. Exposed to foreign currency exchange rate fluctuations may adversely impact our results of operations, cash flows and cause our financial results to fluctuate.

Exchange rate fluctuations may adversely affect our results of operations, cash flows, and financial results as we import a significant portion of our raw materials from various countries. Our financial statements are prepared in Indian Rupees; however, a substantial part of our raw material purchases are through imports, leading to exposure to foreign currency exchange rate fluctuations, particularly the U.S. Dollar. The company imports waste paper as its primary raw material. The value of imported raw materials was Rs. 11,891.27 lakhs, Rs. 12,185.72 lakhs, and Rs. 10,219.69 lakhs for the financial year ending on March 31, 2024; March 31, 2023; and March 31, 2022, respectively. These imports constituted 47.02%, 36.53% and 42.84% of the total purchases for the respective periods. Changes in relevant exchange rates could therefore affect our import costs and operating results. Fluctuations in exchange rates between the U.S. Dollar and the Indian Rupee, among other currencies, may adversely impact our business, results of operations, and financial condition.

Additionally, the company exports its products to international customers. The value of exported goods was Rs. 3,040.10 lakhs, Rs. 2,224.43 lakhs and Rs. 2,875.03 lakhs for the financial year ended on March 31, 2024; March 31, 2023; and March 31, 2022, respectively. These exports accounted for 6.22%, 4.41%, and 8.80% of total sales for the respective periods. Thus, our company is exposed to foreign exchange fluctuations.

Furthermore, policies of the Reserve Bank of India (RBI) may change, potentially limiting our ability to hedge foreign currency exposures effectively, which could adversely affect our business, financial condition, results of operations, and cash flows. Although we closely monitor our foreign currency exposure, this may not sufficiently protect us from potential foreign exchange-related losses. Our use of derivatives subjects us to market and credit risk, including counterparty credit risk and the risk of financial losses if exchange rates move contrary to expectations or if our risk management procedures are inadequate. This could adversely affect our results of operations, liquidity, and financial condition.

For further information on our exchange rate risk management, see *“Management’s Discussion & Analysis of Financial Conditions & Results of Operations”* beginning on page 225.

20. Our success depends in large part upon our qualified personnel, including our senior management, directors and key personnel and our ability to attract and retain them when necessary.

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our business requires. Furthermore, our senior management team is integral to the success of our business.

However, we cannot assure you that we will be able to retain any or all of our management team. Any loss of our senior management or key personnel or our inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hindering our development of ongoing and planned projects and our ability to develop, maintain and expand customer relationships.

21. We sell our products through network of dealers and any inability to expand or effectively manage our growing distribution and sales network may have an adverse effect on our business, results of operations and financial condition.

In addition to direct sales of our products to end user customers, we have an extensive dealer network covering major parts of India. We sell our products through a network across India. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our dealers. We continuously seek to increase the penetration of our products by appointing new dealers targeted at different markets and geographies. We cannot assure you that we will be able to successfully identify and appoint new dealers or effectively manage our existing dealers' network. If the terms offered to such dealers by our competitors are more favourable than those offered by us, dealers may terminate their arrangements with us, and our product sale may decline.

22. Our Company has extended corporate guarantee to secure the debt facilities availed by our Wholly-Owned Subsidiary.

Our Company has given security and corporate guarantee for securing the borrowings availed by our Wholly-Owned Subsidiary Subam Paper and Boards Private Limited, details whereof are as follows:

(₹ in Lakhs)

Name of a Wholly-Owned Subsidiary	Lender	Nature of facility	Amount Sanctioned	Amount covered under guarantee/ security
Subam Paper and Boards Private Limited	Yes Bank Limited	Credit Facility	Rs. 2,000.00	Rs. 2,000.00
Total			Rs. 2,000.00	Rs. 2,000.00

In the event any of default under any of the aforesaid facilities, there is a risk that the relevant lender for such facilities may require to invoke our Company's guarantee(s) or require additional guarantees or collateral or may enforce its rights against our Company. In addition, we may be required to liquidate our investments and other assets to settle the claims of the lenders which in turn may have an adverse impact on our business, the financial condition, results of operations, cash flows and prospects.

23. Our Company has a negative cash flow in its operating activities in the year 2022 and in its investing activities in the year 2024, 2023 and 2022 and in its Financing Activities in the year 2023, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakh)

Particulars	For the financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Net cash (used in) / generated from Operating Activities	4,228.49	6,925.18	(308.43)
Net cash (used in) / generated from Investing Activities	(4,003.30)	(6,004.11)	(13,426.50)
Net cash (used in) / generated from Financing Activities	105.87	(945.90)	13,973.27

Net increase / (decrease) in Cash and Cash Equivalents	331.08	(25.01)	238.50
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Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

24. We have certain contingent liabilities as on date of this Draft Red Herring Prospectus that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.

The following is a summary table of our company's contingent liabilities as:

(₹ in Lakhs)		
Sr. No.	Particulars	Amount (in ₹)
1.	Income Tax demands / Notices before CIT Appeals / TDS	12.20
2.	Bank Guarantees / Corporate Guarantees	2,000.00

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further information, please see "**Financial Information**" beginning on page 224 of this Draft Red Herring Prospectus.

25. Some of our corporate records including forms filed with the Registrar of Companies are not traceable.

Our Company was incorporated in the year 2004 under the Companies Act, 1956, hence Company is unable to trace certain corporate and other documents in relation to our Company including Bank Statements, Corporate Records, forms filed with the Registrar of Companies. Due to change in methods of record keeping over the years, certain forms filed with ROC i.e. Return of Allotment for the year 2006, Increase in Authorized Capital, Appointment of Auditor could not be traced by our Company. Our Company has made an application with the Registrar of Companies, Chennai for retrieving the data, however, we have not received the documents from the Registrar. Further online filing of RoC documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence some of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost destroyed records and to that extent the same could adversely affect our business operations.

Our Company has overlooked to comply with certain statutory provisions in the past including but not limited to adhering with the provisions of SS-1 and SS-2 of the Companies Act, 2013, however, upon identifying such non-compliance, the company adhered with the provisions of SS-1 and SS-2 of Companies Act, 2013. Our Company failed to comply with few of the provisions of Section 12(3) (a) and (c) of the Companies Act, 2013 by not mentioning telephone number and e-mail of the company on its business letters, and billheads. Upon identification of the said non-compliances the company has adhered to the provision mentioned in section 12.

In addition, there are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies. The discrepancies pertain to e-forms and attachments which contains certain clerical errors and inadequate disclosures. Further, some of the attachments are not filed, duly signed, stamped or on the letterhead of the Company. Also, our Company has failed to file some of the e-forms within prescribed time, the same were later filed by paying additional fees. However, upon identification of the above compliances, the Company ensured to adhered to all provisions and do the needful within the prescribed time limit.

Our Managing Director, Mr. T Balakumar had 2 DIN – 00623615 and 00440500. However, upon identification of the non-compliance, DIN - 00623615 was surrendered in the year 2019.

Valuation report pertaining to transfer of shares of the Company are not available with the Company and various transfer of shares between our promoters/directors and public shareholders have occurred at a price which is higher than the Issue price.

While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance or instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

26. *Our Company had not made any provision for payment of gratuity to our employees as per relevant provision of Payment of Gratuity Act, 1972.*

As per provision of Payment of Gratuity Act, 1972 (Act) a scheme for the payment of gratuity to employees shall be made upon applicability of the Act. Our Company failed to determine the applicability of the act although the number of employees of the company has crossed the threshold limit as mentioned in the Act. Our subsidiary companies failed to maintain any provisions for gratuity in any of the past financial years as per relevant provisions. Upon identification of this non-compliance the same was rectified in the restated financials by taking actuarial valuation and making appropriate provisions for gratuity. Although no complaint had been filed against our company for non-compliance under any section of Act, and also no show cause notice in respect of the above has been received by the Company till date. But if our subsidiary companies is found to be in default in complying with any of the provisions of this Payment of Gratuity Act, 1972 or any rule or order made thereunder the employer shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both. Upon any such action the financial position of the company may be impacted.

27. *Heavy dependence on our Promoters for the continued success of our business through his continuing services, strategic guidance and support.*

We are heavily dependent upon the continued services of our Promoters, along with support of our management team for the continuous success and growth of our organization. Our promoters are responsible for the execution of our day-to-day business affairs. The loss of our Promoters or failure to recruit suitable or comparable replacements could have an adverse effect on our business operations and growth strategies. For Details of our Promoters, please refer chapter titled “*Our Promoters and Promoter Group*” beginning on Page 213 of this Draft Red Herring Prospectus.

28. *Changing regulations in India could lead to new compliance requirements that are uncertain. The regulatory environment in which we operate is evolving and is subject to change.*

The Government of India may implement new laws or other regulations that could affect the manufacturing industry or the sectors we serve, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations.

Any such changes and the related uncertainties with respect to the implementation or change in the legal framework may have a material adverse effect on our business, financial condition and results of operations.

29. *Significant security breaches in our computer systems and network infrastructure and fraud could adversely impact our business.*

We seek to protect all the computer systems and network infrastructure in our offices from physical break-ins as well as security breaches and other disruptive problems. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. To address these issues and to minimise the risk of security breaches we employ security systems, including firewalls and intrusion detection systems, conduct periodic penetration testing for identification and assessment of potential vulnerabilities and, use encryption technology for transmitting and storing critical data such as passwords. However, these systems may not guarantee prevention of frauds, break-ins, damage and failure. A significant failure in security measures could have an adverse effect on our business.

30. *As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.*

The success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including expansion in product base, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding, promotional and digital activities. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our

growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

- 31. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement.***

Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. In such situation, Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “**Statement of Financial Indebtedness**” on page 108 of the Draft Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance. For further details, please see the section titled “**Financial Indebtedness**” on page 241.

- 32. *Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business.***

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. We had been last rated by ICRA long term rating with [ICRA]A- (Stable). Ratings reflect a rating agency’s opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

- 33. *Delay in delivery of the products due to breakdown of machinery.***

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing process may delay the production process as a whole and result in missing deadlines in delivery of product if we are able to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

- 34. *We are dependent on third party vendors for delivery of materials required to us from our suppliers and delivery of our products to our clients. Any failure on part of such vendors to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

We are engaged in the business of manufacturing paper and paper packaging products. We also required certain materials which we source from third party vendors. Our success depends on the smooth supply and transportation of the various materials required for our projects delivering to our customers which are subject to various uncertainties and risks. In addition, these materials may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials which may also affect our business and our results of operation adversely. A failure to maintain a continuous supply of materials in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

- 35. *The shortage or non-availability of power facilities may adversely affect our business and have an adverse impact on our results of operations and financial condition.***

Our business processes require power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high.

We have a regular power supply at our registered office and factory provided by Tamil Nadu Generation and Distribution Corporation Limited.

Additionally, we generate electricity using our own solar and wind energy sources for our two manufacturing units and registered office. We use this generated power first, and any extra electricity we need is supplied by Tamil Nadu Generation and Distribution Corporation Limited.

We have installed 14 MW of solar PV plant and necessary Energy Wheeling Agreement has been executed with Tamil Nadu Generation and Distribution Corporation for wheeling of the said power.

Any disruption / non-availability of power shall directly affect our production which in turn shall have an impact on the profitability and turnover of our Company.

36. *Adverse publicity regarding our products could negatively impact us.*

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

37. *Our business may be affected by severe weather conditions and other natural disasters.*

Our business activities may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services or suspend our operations or postpone delivery of materials to our worksites. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our operations. High temperatures during summer months and the monsoon season could limit our ability to carry on our activities or to fully utilize our resources.

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

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

39. *Major fraud lapses of internal control or system failures could adversely impact the company's business.*

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

40. *We continue to explore the diversification of our business and the implementation of new products. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.*

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and/or starting new products. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

41. *Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.*

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our product;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

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

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties. For further information, see “**Restated Financial Statements – Annexure XXX “Related Party Transactions”**” on page 149. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into in last three fiscals are legitimate business transactions conducted on an arms’ length basis, in compliance with the requirements stipulated in Companies Act, 2013, and relevant Accounting Standards and other statutory compliances, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. While we have not had any conflict of interest in relation to our equity shareholders in the past, we cannot assure you that such conflicts will not arise in the future. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have any adverse effect on our business and financial results, including because of potential conflicts of interest or otherwise. For further information on our related party transactions, see **Financial Statement – Annexure XXX “Related Party Transactions”**.

43. *The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.*

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, which could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

44. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.*

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction,

fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

45. Our operations may be adversely affected in case of industrial accidents at our working sites.

Usage of heavy machinery, handling of sharp parts of machinery by labor during production processor otherwise, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labor, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

46. Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

47. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post this Issue, our Promoters and Promoter Group will collectively own [●] of our post Issue Equity Share Capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

48. The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price.

The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price. The details of the average cost of acquisition of Equity shares held by the Promoters are set out as below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. T Balakumar	84,57,700	17.89
2.	Ms. Sudha Alagarsamy	28,66,450	4.65

49. Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

50. *There are no alternate arrangements for meeting our requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital expenditure requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled “*Objects of the Issue*” on page 89 of this Draft Red Herring Prospectus.

51. *Guarantees from Promoters as well as others have been taken in relation to the debt facilities provided to us.*

In the event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Statement of Financial Indebtedness*” beginning on page 241 of this Draft Red Herring Prospectus.

52. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders’ investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 184 of this Draft Red Herring Prospectus.

53. *Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.*

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management’s time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

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

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

55. *Our KMP is associated with our company for less than one year.*

Our Key Management Personnel, Company Secretary & Compliance Officers is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key

Management Personnel and their appointment, please refer to chapter “*Our Management*” beginning on page 184 of this Draft Red Herring Prospectus.

56. *Difference in the name mentioned in the KYC documents of our Promoters and/or Director*

There are differences between the names in the KYC documents and the names in the MCA data for some of our Promoters and/or Directors. These discrepancies can lead to administrative and legal challenges, such as delays in regulatory approvals, difficulties in verifying the identities of key personnel, and complications in enforcing contracts or legal proceedings. Such issues could negatively affect our business operations, financial condition, and overall success.

The names in this Draft Red Herring Prospectus are based on the MCA data. Consequently, we cannot guarantee the accuracy of the addresses and dates of birth mentioned in this document. These inconsistencies may pose risks to our company's smooth functioning and regulatory compliance.

57. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.*

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

58. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of Our Company.*

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

59. *Negative publicity could adversely affect our revenue model and profitability.*

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

60. *Industry information included in this Draft Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed, and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. 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, there is no assurance 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 parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

61. *The requirements of being a public listed company may strain our resources and impose additional requirements.*

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

Issue Specific Risks:

62. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

63. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.*

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the agriculture Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

64. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.*

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

65. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.*

The Issue price of our equity Shares has been determined by Book Built Method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that

you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer chapter titled “**Basis for Issue Price**” beginning on the page 103 of this Draft Red Herring Prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

66. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.*

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

EXTERNAL RISKS

Industry Related Risks:

67. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.*

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

68. *Malpractices by some players in the industry affect overall performance of emerging Companies*

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers’ attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

Other Risks:

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceeds ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹1,00,000/- pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

70. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus.*

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus under chapter “**Financial Statements as Restated**” beginning on page 224 the financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

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

72. *Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.*

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

73. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Draft Red Herring Prospectus.*

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “**Our Industry**” beginning on page 113 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to

statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

75. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

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

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

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

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

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

SECTION IV: INTRODUCTION

THE ISSUE

Present Issue in Terms of this Draft Red Herring Prospectus:

Particulars	No. of Equity Shares
Equity Shares Offered through Public Issue (1) (2)	Issue of upto 62,50,000 Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●]
Out Of Which:	
Reserved for Market Maker	Upto [●] Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●]
Net Issue to the Public	Upto [●] Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●]
Of which:	
A. QIB Portion (3)(4)	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs
Of which:	
i) Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
ii) Net QIB Portion	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
Of which:	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares aggregating up to ₹ [●] lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Retail Investors Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Investors Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Pre and Post Issue Share Capital of our Company:	
Equity Shares outstanding prior to the Issue	1,70,80,070 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Issue Proceeds	For details, please refer chapter titled ' <i>Objects of the Issue</i> ' beginning on page 89 of this Draft Red Herring Prospectus.

Notes:

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 17, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 23 and Section 62(1c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 18, 2024.
- The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.
- Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor.
- Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual

Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “*Issue Procedure*” beginning on page 306 of this Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL STATEMENTS

SUBAM PAPERS LIMITED				
(Formerly known as Subam Papers Private Limited)				
CIN: U21012TN2004PLC054403				
RESTATED STATEMENT OF ASSETS & LIABILITIES				
			Amount (Rs. In Lakhs)	
Sr. No	Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
		Consolidated	Consolidated	Consolidated
I	<u>EQUITY AND LIABILITIES</u>			
1.	Shareholders' Funds			
	(a) Share Capital	162.77	162.77	162.77
	(b) Reserves & Surplus	19,741.35	16,399.55	16,426.34
	Minority Interest	0.98	0.97	1.15
2.	Non-current liabilities			
	(a) Long-Term Borrowings	8,762.72	9,845.90	9,978.64
	(b) Long-Term Provisions	154.18	121.12	110.76
	(c) Deferred Tax Liabilities (net)	1,067.61	624.45	185.86
3.	Current Liabilities			
	(a) Short-Term Borrowings	9,578.06	6,436.71	5,594.73
	(b) Trade Payables:			
	(A) total outstanding dues of micro, small and medium enterprises; and	123.79	185.38	150.17
	(B) total outstanding dues of creditors other than micro, small and medium enterprises	4,940.11	6,643.87	5,232.29
	(c) Other Current Liabilities	1,288.63	884.61	747.01
	(d) Short-Term Provisions	225.90	129.32	828.61
	Total	46,046.10	41,434.65	39,418.33
II	<u>ASSETS</u>			
1	Non-Current Assets			
	(a) Property, Plant & Equipment & Intangible Assets			
	(i) Property, Plant and Equipment	22,402.41	21,565.43	12,360.77
	(ii) Intangible Assets	370.70	370.70	370.70
	(iii) Capital Work-in-progress	2,197.75	13.64	4,231.12
	(b) Non-Current Investments	1,047.85	1,008.76	970.55
	(c) Deferred Tax Assets (net)	-	-	-
	(d) Other Non-Current Assets	422.02	975.06	2,531.46
2	Current Assets			
	(a) Inventories	5,733.30	4,221.20	5,645.19
	(b) Trade Receivables	11,076.29	9,481.82	8,880.53
	(c) Cash and Cash Equivalents	1,093.06	761.98	786.98
	(d) Short-Term Loans and Advances	1,209.19	2,682.57	2,172.78
	(e) Other Current Assets	493.51	353.50	1,468.27
	Total	46,046.10	41,434.65	39,418.33

SUBAM PAPERS LIMITED
(Formerly known as Subam Papers Private Limited)
CIN: U21012TN2004PLC054403
RESTATED STATEMENT OF PROFIT & LOSS

Amount (Rs. In Lakhs)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Consolidated	Consolidated	Consolidated
I. Revenue from Operations	49,386.46	50,829.89	32,927.45
II. Other Income	310.85	232.47	332.42
III. Total Income (I + II)	49,697.31	51,062.36	33,259.87
IV. Expenses:			
Cost of Materials Consumed	37,281.99	43,151.69	26,802.86
Changes in Inventories	183.91	(298.62)	(1,217.43)
Employee Benefits Expense	2,120.60	2,142.09	1,397.13
Finance Costs	1,767.51	1,414.53	307.31
Depreciation and Amortisation Expense	1,296.71	1,596.56	666.72
Other Expenses	2,466.64	2,559.75	1,835.39
IV. Total Expenses	45,117.35	50,566.01	29,791.98
V. Profit before exceptional and extraordinary items and tax (III - IV)	4,579.95	496.35	3,467.89
VI. Exceptional items & Extraordinary Items			
-CSR Provision	61.23	129.45	37.60
-Prior Period Items	-	-3.34	-
VII. Profit before tax (V - VI)	4,518.73	370.24	3,430.28
VIII. Tax expense:			
MAT credit entitlement	-	-	-
Current Tax	772.88	-	716.95
Deferred Tax	443.16	438.59	216.49
Total Tax Expense	1,216.05	438.59	933.44
IX . Profit (Loss) for the period (VII-VIII)	3,302.69	(68.35)	2,496.84
Add/(Less): Share of profit/(loss) of Associate Companies	39.10	41.74	103.24
Add/(Less): Minority Interest's share in profit/(loss)	0.01	(0.18)	0.15
X . Profit (Loss) for the period	3,341.80	(26.79)	2,600.23
Earnings per equity share:			
(1) Basic	20.53	(0.16)	15.98
(2) Diluted	20.53	(0.16)	15.98

SUBAM PAPERS LIMITED
(Formerly known as SUBAM PAPERS PRIVATE LIMITED)
CIN: U21012TN2004PLC054403
RESTATED CASH FLOW STATEMENT

Particulars	Amount (Rs. In Lakhs)		
	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Consolidated	Consolidated	Consolidated
<u>A. Operating activities</u>			
Profit before tax	4,518.73	370.24	3,430.28
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
Depreciation and amortisation expense	1,296.71	1,596.56	666.72
Finance Costs	1,952.29	1,654.96	447.93
Interest Income	(332.93)	(576.11)	(442.19)
Loss on sale of fixed assets	7.38	-	-
Asset Write-off	11.05	-	116.79
Working capital adjustments:			
Decrease/(Increase) in inventories	(1,512.10)	1,423.99	(3,252.15)
Decrease/(Increase) in trade receivable	(1,594.47)	(601.30)	(2,713.45)
Decrease/(Increase) in current assets	(318.03)	1.10	7.24
Decrease/(Increase) in non-current assets	(99.15)	522.47	(456.18)
Decrease/(Increase) in short loans and advances	1,651.40	603.88	(279.32)
Decrease/(Increase) in long loans and advances	652.19	1,033.93	118.34
Increase/(Decrease) in current provision	96.58	(699.28)	(67.17)
Increase/(Decrease) in current liabilities	404.02	137.60	(67.41)
Increase/(Decrease) in trade payables	(1,765.35)	1,446.78	2,834.79
Increase/(Decrease) in non-current provision	33.06	10.36	64.28
Total cash from operations	5,001.37	6,925.18	408.51
Income taxes refund/(paid)	(772.88)	-	(716.95)
Net Cash flow from operating Activities (A)	4,228.49	6,925.18	(308.43)
<u>B. Investing activities</u>			
Purchase of property, plant and equipment	(4,366.31)	(6,583.75)	(13,349.88)
Sale of PPE	30.08	-	-
Purchase/ Sale of Investments	-	3.53	(518.81)
Interest received	332.93	576.11	442.19
Net cash used in investing activities (B)	(4,003.30)	(6,004.11)	(13,426.50)
<u>C. Financing Activities</u>			
Proceeds of Share application money	-	-	-
Proceeds(repaysment) from short term borrowing, net	3,141.34	841.80	4,677.51
Proceeds(repaysment) from long term borrowings, net	(1,083.18)	(132.74)	9,743.69
Interest Cost	(1,952.29)	(1,654.96)	(447.93)
Net cash used in financing activities(C)	105.87	(945.90)	13,973.27
Movement in Minority Interest	(0.01)	0.18	(0.15)
Net increase in cash and cash equivalents(D=A+B+C)	331.08	(25.01)	238.50
Cash and cash equivalents at the beginning of the financial year E)	761.98	786.98	548.27
Cash and cash equivalents at the end of the period/year (D+E)	1,093.06	761.98	786.98
Components of cash and cash equivalents as at end of the year			
Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Consolidated	Consolidated	Consolidated
Balance with banks:			
- On current account	567.76	151.39	392.54
- Deposits with original maturity of less than 3 months	496.88	595.18	381.40
- Cash on hand	28.42	15.41	13.04
Total cash and cash equivalents as per Balance Sheet	1,093.06	761.98	786.98
Cash and cash equivalents as per Statement of Cash Flow	1,093.06	761.98	786.98

- | |
|---|
| 2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India. |
| 3. Figures in Brackets represents outflow. |

SECTION V: GENERAL INFORMATION

BRIEF SUMMARY

Our Company was originally incorporated on October 06, 2004, as a Private Limited Company in the name of “Subam Papers Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on March 08, 2024, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Subam Papers Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on May 15, 2024 by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U21012TN2004PLC054403

For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on 184 of this Draft Red Herring Prospectus.

ISSUE INFORMATION	
Registration Number	054403
Corporate Identification Number	U21012TN2004PLC054403
Date of Incorporation as Private Limited Company	October 06, 2004
Date of Incorporation as Public Limited Company	May 15, 2024
Address of Registered Office	S.F. No. 143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk, 627010, Tamil Nadu, India. Tel: +91 94863 03300 Email: info@subampapers.com Website: www.subampapers.com
Address of Registrar of Companies	Registrar of Companies, Chennai, Tamil Nadu Block No.6, B Wing 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600034, Tamil Nadu. Tel: 044-28270071/28276654 Email: roc.chennai@mca.gov.in Website: www.mca.gov.in
Designated Stock Exchange	BSE Limited (SME Platform of BSE Limited) P J Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India. Website: www.bseindia.com
Issue Programme	Anchor Portion Issue Opens / Closes on: [●] Issue Opens on: [●] Issue Closes on: [●]
Chief Financial Officer	Mr. Mohamed Nizar Jahir Hussain S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk, 627010, Tamil Nadu, India. Tel: +91 94863 03300 Email: cfo@subampapers.com Website: www.subampapers.com
Company Secretary and Compliance Officer	Mr. Poovalingam Nagarajan S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk, 627010, Tamil Nadu, India. Tel: +91 94863 03300 Email: cs@subampapers.com Website: www.subampapers.com

OUR BOARD OF DIRECTORS

Details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus are set forth in the table hereunder:

Name	Designation	Address	DIN
Mr. T Balakumar	Managing Director	D. NO. 4 Maharaja Nagar, 23rd Cross Street, Palayamkottai, Tirunelveli Taluk - 627011, Tamil Nadu, India.	00440500

Name	Designation	Address	DIN
Mr. Ramasubbu Venkatesh	Executive Director	Door No. 435/1 8th Middle Street, Thiyagarajanagar, Tirunelveli - 627011, Tamil Nadu, India.	00951835
Ms. Sudha Alagarsamy	Non – Executive Director	D. No. 14 23rd Cross Street, Maharaja Nagar, Tirunelveli-627006, Tamil Nadu, India.	01515113
Mr. Gurusamy Rathakrishna	Independent Director	D FRF1 Royal Skyline Apartment, Narayana Avenue, Krishna Colony, Coimbatore South - 641005, Tamil Nadu, India.	01759564
Mr. Chelladurai Gunasingh Prithviraj	Independent Director	Old no. 17A, New No. 44, North Highground Road, Palayankottai - 627002, Tamil Nadu, India.	00168538

For detailed profile of our Directors, refer “**Our Management**” on page 184 respectively of this Draft Red Herring Prospectus.

INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

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

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

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
GRETEX CORPORATE SERVICES LIMITED A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (W), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. Tel No.: +91 96532 49863 Email: info@gretexgroup.com Website: www.gretexcorporate.com Contact Person: Ms. Neha Maiyan/ Ms. Rashmi Ranjan SEBI Registration No: INM000012177 CIN: L74999MH2008PLC288128	BIGSHARE SERVICES PRIVATE LIMITED S6-2, 6 th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India. Tel. No.: +91 22 6263 8200 Fax No.: +91 22 6263 8299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com; Website: www.bigshareonline.com Contact Person: Mr. Ganesh Shinde SEBI Registration No.: INR000001385 CIN: U99999MH1994PTC076534
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR AND PEER REVIEW AUDITOR OF THE COMPANY
M/S. ZENITH INDIA LAWYERS D-49, First Floor, Sushant Lok III, Sector 57, Gurugram Haryana-122003, India Mobile No.: +919899016169 Email: raj@zilawyers.com	M/S. C N G S N & ASSOCIATES LLP, Chartered Accountants, Anand Seethakathi Business Centre, 2 nd floor, Anna Salai, Thousand Lights, Chennai- 600006, Tamil Nadu, India Tel No.: +91 4445541480/81/82

Website: www.zilawyers.com Contact Person: Ms. Raj Rani Bhalla	E-mail: info@cngsn.com Contact Person: Mr. E. K. Srivatsan Membership No.: 225064 Firm Registration No.: 004915S/S200036 Peer Review No: 014740
BANKER TO THE COMPANY	BANKERS TO THE ISSUE / SPONSOR BANK*
HDFC BANK LIMITED, NO 341/2 North Bypass Road BGS Towers opposite to Galaxy Hospital Vannarapettai Tirunelveli - 627002, Tamil Nadu Mobile No.: +91 9345699068 Email: lakshmanan.p@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. P Lakshmanan	[•]
SYNDICATE MEMBER*	
[•]	

**The Banker to the Issue (Sponsor Bank) and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the RoC.*

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No.	Date of Change	From	To	Reason for Change
1	Date of Appointment: September 30, 2022	M/s. M Karuppa Gnaniar, Chartered Accountants, 592-A3/1, Srengapalayam, Rajapalayam -- 626117, Tamil Nadu, India. Tel No.: +91 9345279429 Email Id: karuppagnaniar@gmail.com Contact Person: Mr. M Karuppa Gnaniar Membership No.: 018656	M/s. Narayanasamy and Associates, Chartered Accountants, D. No. 73 – D, Kamaraj Nagar, Rajapalayam– 626117, Tamil Nadu, India Tel No.: +91 9677720975 Email Id: mmsrjpm@gmail.com Contact Person: Mr. M Muthusubramanian Membership No.: 022863 Firm Registration No.: 002401S	Completion of term of previous Auditor
2	Date of Resignation: February 17, 2024 Date of Appointment: March 08, 2024	M/s. Narayanasamy And Associates, Chartered Accountants, D. No. 73D, Kamaraj Nagar, Rajapalayam- 626117, Tamil Nadu, India. Tel No.: +91 9677720975 E-mail: mmsrjpm@gmail.com Contact Person: Mr. M Muthusubramanian Membership No.: 022863 Firm Registration No.: 002401S	M/s. C N G S N & Associates LLP, Chartered Accountants, Anand Seethakathi Business Centre, 2 nd floor, No. 684-690, Anna Salai, Thousand Lights, Chennai- 600006, Tamil Nadu, India. Tel No.: +91 44 45541480/81/82 E-mail: info@cngsn.com Contact Person: Mr. E. K. Srivatsan Membership No.: 225064 Firm Registration No.: 004915S/S20036 Peer Review No: 014740	Due to personal reasons

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI

(<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website www.sebi.gov.in at the following path: Home >> Intermediaries / Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he / she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

SYNDICATE SCSB BRANCHES

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms 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=40>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

REGISTERED BROKERS

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

BROKERS TO THE ISSUE

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

STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Gretex Corporate Services Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Book Running Lead Manager is not required.

CREDIT RATING

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

IPO GRADING

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

EXPERT OPINION

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

Our Company has received written consent dated May 18, 2024 from Peer Review Auditor namely, M/s. C N G S N & Associates 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 Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in respect of its (i) examination report dated July 01, 2024 on our Restated Financial Information; and (ii) its report dated July 01, 2024 on the statement of Special Tax Benefits in this Draft Red Herring Prospectus. Aforementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

TRUSTEES

This is an issue of equity shares hence appointment of trustees is not required.

DEBENTURE TRUSTEES

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

MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs.

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

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

GREEN SHOE OPTION

No Green Shoe Option is applicable for this Issue.

APPRAISAL AGENCY

Our Company has not appointed any appraising agency for appraisal of the Project

FILING OF ISSUE DOCUMENT

The Draft Red Herring Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India.

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

A copy of the Red Herring Prospectus / Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Chennai, Tamil Nadu, Block No.6, B Wing 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600034, Tamil Nadu.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Tamil Edition of Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid / Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid / Issue Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Gretex Corporate Services Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with Exchanges and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 306 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 306 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67%
1000	23.00	1500	50.00%
1500	22.00	3000	100.00%
2000	21.00	5000	166.67%
2500	20.00	7500	250.00%

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 306 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid / Issue Program:

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

Note :

¹Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations

²Our Company in consultation with the Book Running Lead Manager, consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation

/ withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue Book Running Lead Manager shall be liable for compensating the Applicant at a uniform rate of 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00*# p.m. IST

*UPI mandate end time and date shall be at 5.00 pm on Issue / Issue Closing Date

On the Issue Closing Date, the Applications shall be uploaded until:

- Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
- Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to the Stock Exchange.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid / Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Bid / Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

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

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

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated May 18, 2024. Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
Gretex Corporate Services Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai - 400013 Maharashtra, India. Tel. No.: +91 96532 49863 Email: info@gretexgroup.com Website: www.gretexcorporate.com Contact Person: Ms. Neha Maiyan/ Ms. Rashmi Ranjan SEBI Registration No.: INM000012177 CIN: L74999MH2008PLC288128	[●]	[●]	[●]
Gretex Share Broking Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai - 400013 Maharashtra, India. Tel. No.: 022 6930 8500 Email: compliance@gretexbroking.com Contact Person: Mr. Deepak Navinchandra Shah SEBI Registration No: INZ000166934 Market Maker Registration No.: SMEMM0617628062012	[●]	[●]	[●]
Total	Upto [●]	[●]	[●]

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

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 Book Running Lead Manager shall be responsible for ensuring payment

with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure / subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Book Running Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated May 18, 2024 with the Book Running Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

Name	Gretex Share Broking Limited
Address	A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (W), S V S Marg, Mumbai- 400028, Maharashtra, India
Tel No.	022 6930 8500
Email	compliance@gretexbroking.com
Contact Person	Mr. Deepak Navinchandra Shah
CIN	U65900MH2010PLC289361
SEBI Registration No.	INZ000166934
Market Maker Registration No. (SME Segment of BSE Limited)	SME MM0617628062012

Gretex Share Broking Limited, registered with SME Platform of BSE Limited (“BSE SME”) and Emerge Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

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

- 1) The Market Maker (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the SME Platform of BSE Limited (“BSE SME”) and SEBI from time to time.
- 3) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE Limited (“BSE SME”) in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of BSE Limited (“BSE SME”) from time to time).
- 4) The minimum depth of the quote shall be ₹1.00 Lakhs. However, the investors with holdings of value less than ₹1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 5) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- 6) There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

- 8) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Limited is acting as the sole Market Maker.
- 9) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at SME Platform of BSE Limited (“BSE SME”) and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.
- 10) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 11) The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- 12) In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
- 13) SME Platform of BSE Limited (“BSE SME”) will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
- 14) SME Platform of BSE Limited (“BSE SME”) will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 15) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- 16) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores the applicable price bands for the first day shall be:
 - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

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

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

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

- 2) All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

SECTION VI: CAPITAL STRUCTURE

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

Sr. No.	Particulars	Amount	
		₹ in Lakh except share data	
		Aggregate Nominal Value	Aggregate value at Issue Price
A.	Authorised Share Capital ⁽¹⁾		
	2,50,00,000 Equity Shares of ₹ 10.00 each	2,500.00	-
	50,000 12% Non-Cumulative Redeemable Preference Shares of ₹ 10.00 each	5.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,70,80,070 Equity Shares of ₹ 10.00 each	1,708.01	-
C.	Present Issue in terms of this Draft Red Herring Prospectus ⁽²⁾		
	Issue of upto 62,50,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	625.00	[●]
	Which comprises:		
D.	Reservation for Market Maker portion		
	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	[●]	[●]
E.	Net Issue to the Public ⁽³⁾		
	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	[●]	[●]
	Of which:		
	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	[●]	[●]
	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Qualified Institutional Buyers of above ₹ 2.00 Lakhs	[●]	[●]
	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Non-Institutional Investors of above ₹ 2.00 Lakh	[●]	[●]
F.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	[●] Equity Shares of ₹ 10.00 each	[●]	[●]
G.	Securities Premium Account		
	Before the Issue	1,281.75	
	After the Issue	[●]	

⁽¹⁾For details in relation to the changes in the authorised share capital of our Company, please refer to section titled “**History and Certain Other Corporate Matters – Amendments to our Memorandum of Association**” on page 184.

⁽²⁾ The Issue has been authorized by a resolution of our Board of Directors through their meeting dated May 17, 2024 and by a special resolution of our Shareholders at Extraordinary General Meeting dated May 18, 2024.

⁽³⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

CLASS OF SHARES

As on date of this Draft Red Herring Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO CAPITAL STRUCTURE

1. Changes in Authorized Share Capital of our Company

Sr. No.	Particulars of increase	Equity/ Preference	Cumulative No. of Equity/ Preference Shares	Face Value (₹)	Cumulative Authorized Share Capital	Date of Meeting	Whether AGM / EGM
1.	On Incorporation	Equity	2,50,000	10.00	25,00,000.00	On Incorporation	N.A.
2.	Untraceable*	Equity	10,00,000	10.00	1,00,00,000.00	Untraceable*	EGM
3.	November 29, 2010	Preference	10,50,000	10.00	1,05,00,000.00	November 29, 2010	EGM
4.	June 4, 2012	Equity	20,50,000	10.00	2,05,00,000.00	June 4, 2012	EGM
5.	May 06, 2024	Equity	2,50,50,000.00	10.00	25,05,00,000.00	May 06, 2024	EGM

*ROC Form for increase in Authorised Capital is untraceable in ROC records due to change in methods of record keeping. For further detail refer "Risk Factors" on page 32 of this Draft Red Herring Prospectus.

2. History of Issued and Paid-Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Incorporation	10,000	10.00	10.00	Cash	Subscriber to the MOA (I)	10,000	1,00,000.00	-
March 20, 2006	9,90,000	10.00	10.00	Cash	Further Issue (II)	10,00,000	1,00,00,000.00	-
August 06, 2012	99,617	10.00	275.00	Cash	Further Issue (III)	10,99,617	1,09,96,170.00	2,63,98,505.00
November 30, 2012	2,79,936	10.00	282.00	Cash and Other than Cash	Further Issue (IV)	13,79,553	1,37,95,530.00	10,25,41,097.00
December 06, 2013	3,072	10.00	311.00	Cash	Further Issue (V)	13,82,625	1,38,26,250.00	10,34,65,769.00
December 09, 2013	2,847	10.00	316.00	Cash	Further Issue (VI)	13,85,472	1,38,54,720.00	10,43,36,951.00
December 14, 2013	1,275	10.00	335.00	Cash	Further Issue (VII)	13,86,747	1,38,67,470.00	10,47,51,326.00
December 16, 2013	5,794	10.00	345.00	Cash	Further Issue (VIII)	13,92,541	1,39,25,410.00	10,66,92,316.00
December 21, 2013	24,628	10.00	350.00	Cash	Further Issue (IX)	14,17,169	1,41,71,690.00	11,50,65,836.00
December 23, 2013	88,582	10.00	369.00	Cash and Other	Further Issue (X)	15,05,751	1,50,57,510.00	14,68,66,774.00

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
				Other than Cash				
December 28, 2013	2,610	10.00	383.00	Cash	Further Issue (XI)	15,08,361	1,50,83,610.00	14,78,40,304.00
March 31, 2014	73,111	10.00	388.00	Cash	Further Issue (XII)	15,81,472	1,58,14,720.00	17,54,76,262.00
March 30, 2015	46	10.00	388.00	Other than Cash	Private Placement by way of conversion of unsecured loan (XIII)	15,81,518	1,58,15,180.00	17,54,93,650.00
March 30, 2015	13,028	10.00	502.00	Other than Cash	Private Placement (XIV)	15,94,546	1,59,45,460.00	18,19,03,426.00
March 30, 2015	7,196	10.00	488.00	Other than Cash	Private Placement by way of conversion of unsecured loan (XV)	16,01,742	1,60,17,420.00	18,53,43,114.00
March 30, 2015	4,147	10.00	572.00	Other than Cash	Private Placement by way of conversion of unsecured loan (XVI)	16,05,889	1,60,58,890.00	18,76,73,728.00
March 30, 2015	21,783	10.00	500.00	Other than Cash	Private Placement (XVII)	16,27,672	1,62,76,720.00	19,83,47,398.00
June 01, 2024	1,46,49,048	10.00	-	Other than Cash	Bonus Issue (XVIII)	1,62,76,720	16,27,67,200.00	5,18,56,918.00
June 15, 2024	8,03,350	10.00	105.00	Cash	Preferential Issue (XIX)	1,70,80,070	17,08,00,700.00	12,81,75,168.00
Total	1,70,80,070							

- i. Initial Subscribers to the Memorandum of Association of our Company, incorporated on October 06, 2004 having Face Value of ₹ 10.00 each as per details given below:

Sr. No	Names of Allottees	No. of Equity Shares
1	Mr. T Balakumar	4,500
2	Ms. Sudha Alagarsamy	2,500
3	Mr. Venkadasamy Thirupathi	1,000
4	Mr. Solaisamy Solaisamy Alagarsamy	1,000
5	Ms. Ramasamy Premavathi	1,000
	Total	10,000

- ii. Further Issue of 9,90,000 Equity Shares allotted on March 20, 2006 having Face Value of ₹ 10.00 each as per details given below:

Sr. No	Names of Allottees	No. of Equity Shares
1	Mr. T Balakumar	4,45,500
2	Ms. Sudha Alagarsamy	2,47,500
3	Mr. Venkadasamy Thirupathi	99,000
4	Mr. Solaisamy Solaisamy Alagarsamy	99,000
5	Ms. Ramasamy Premavathi	99,000

	Total	9,90,000
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- iii. Further Issue of 99,617 Equity Shares allotted on August 06, 2012 having Face Value of ₹ 10.00 each as per details given below:

Sr. No	Names of Allottees	No. of Equity Shares
1	Mr. Durairaj Venkatasamy	48,649
2	Ms. Radhabai Kichappa	50,968
	Total	99,617

- iv. Further Issue of 2,79,936 Equity Shares allotted on November 30, 2012 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Ms. Aishwarya R	8,510
2	B.M.M. Paper Board Private Limited	76,003
3	Mr. P Balagurunathan	8,865
4	Mr. R Venkat Raghavan	3,546
5	Rajashree Spintex Private Limited	1,20,567
6	Mr. R Ramkumar	4,255
7	Mr. S Rajendran	4,609
8	Mr. S. Selvaraj	11,347
9	Mr. T Balakumar	5,710
10	Ms. Sudha Alagarsamy	30,851
11	Ms. T Dhanalakshmi	5,673
	Total	2,79,936

- v. Further Issue of 3,072 Equity Shares allotted on December 06, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Mr. S. Selvaraj	3,072
	Total	3,072

- vi. Further Issue of 2,847 Equity Shares allotted on December 09, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Mr. R. Venkat Raghavan	2,847
	Total	2,847

- vii. Further Issue of 1,275 Equity Shares allotted on December 14, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Mr. S.S Alagarsamy	450
2	Ms. S Alagu Lakshmi	448
3	Ms. S Vanaja	377
	Total	1,275

- viii. Further Issue of 5,794 Equity Shares allotted on December 16, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Mr. S Rajendra	5,794
	Total	5,794

- ix. Further Issue of 24,628 Equity Shares allotted on December 21, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
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1	Mr. T Balakumar	24,628
	Total	24,628

- x. Further Issue of 88,582 Equity Shares allotted on December 23, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Rajashree Spintex Private Limited	51,433
2	B.M.M. Paper Board Private Limited	37,149
	Total	88,582

- xi. Further Issue of 2,610 Equity Shares allotted on December 28, 2013 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Ms. T Dhanalakshmi	2,610
	Total	2,610

- xii. Further Issue of 73,111 Equity Shares allotted on March 31, 2014 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Rajashree Spintex Private Limited	18,050
2	B.M.M. Paper Board Private Limited	31,278
3	Ms. T Dhanalakshmi	1,286
4	Mr. SS Alagarsamy	2,199
5	Ms. S Alagu Lakshmi	2,199
6	Mr. T Balakumar	18,099
	Total	73,111

- xiii. Conversion of Loan to Equity of 46 Equity Shares allotted on March 30, 2015 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Rajashree Spintex Private Limited	46
	Total	46

- xiv. Private Placement of 13,028 Equity Shares allotted on March 30, 2015 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	B.M.M. Paper Board Private Limited	13,028
	Total	13,028

- xv. Conversion of Loan to Equity of 7,196 Equity Shares allotted on March 30, 2015 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Mr. S. Selvaraj	1,935
2	Mr. SS Alagarsamy	2,653
3	Ms. S Vanaja	2,608
	Total	7,196

- xvi. Conversion of Loan to Equity of 4,147 Equity Shares allotted on March 30, 2015 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Ms. S Alagu Lakshmi	215
2	Mr. Ramasubbu Venkatesh	3,932
	Total	4,147

xvii. Private Placement of 21,783 Equity Shares allotted on March 30, 2015 having Face Value of ₹ 10.00 each as per details given below:

Sr. No.	Name	No. of Equity Shares
1	Mr. T Balakumar	21,783
	Total	21,783

xviii. Bonus Issue of 1,46,49,048 Equity Shares having Face Value of ₹ 10.00 each fully paid allotted on June 01, 2024, in the ratio of 9:1 i.e., 9 (Nine) Bonus Equity Shares for 1 (One) equity share held by the existing equity shareholders as on the record date i.e. May 17, 2024:

Sr. No.	Name	No. of Equity Shares
1	Mr. T Balakumar	76,11,930
2	Ms. Alagarsamy Sudha	25,79,805
3	Mr. Venkadasamy Thirupathi	9,00,000
4	Mr. S S Alagarsamy	9,00,000
5	Ms. Ramasamy Premavathi	9,00,000
6	B.M.M. Paper Board Private Limited	14,17,122
7	Mr. Ramasubbu Venkatesh	57,600
8	Ms. Madhumitha Balakumar	35,064
9	Saradhambika Paper and Board Mills Private Limited	2,47,527
		1,46,49,048

xix. Preferential Issue of 8,03,350 Equity Shares allotted on June 15, 2024 having Face Value of ₹ 10.00 each as per details given below:

Sr. No	Name of the Subscriber	Equity Shares
1.	M/s. G Prakash Chand Baid HUF	1,26,973
2.	M/s. GJNX Ventures	1,26,973
3.	M/s. 1955 Venture Fund	1,26,974
4.	Mr. Sandeep Bhandari	47,620
5.	M/s. Shagun Capital Venture	38,100
6.	Ms. Kalpana Golecha	33,330
7.	Ms. Akilandeswari Selvamurthy	14,300
8.	Mr. Giridharan M. S.	9,560
9.	Ms. Nitaben Prakashbhai Shah	9,560
10.	Mr. Prashant Mishra	9,560
11.	M/s. R S Financial Solution	19,100
12.	Mr. Jai Shankar Raghava Chandra	19,000
13.	Mr. Ethirajulu Srinivasan	19,300
14.	M/s. Manasi Commodities LLP	1,01,500
15.	M/s. Tasmseem Commercial LLP	1,01,500
	Total	8,03,350

The history of the preference share capital of our Company is set forth below:

Date of allotment	Type of preference shares*	Name of allottee	Reason/nature of allotment	No. of Preference Shares allotted	Face value per Preference Share (₹)	Issue price per Preference Share (₹)	Nature of consideration
September 30, 2011	12% Non-Cumulative Redeemable Preference Shares	R Venkat Raghavan	Further Issue	39,480	10.00	251.00	Cash

*Redeemed on September 16, 2019 at Rs. 560/- per share aggregating to Rs. 2,25,03,600/-

3. We have not issued any Equity Shares for consideration other than cash apart from mentioned in point iv, x, xiii, xiv, xv, xvi, xvii, xviii above.

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
5. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
7. Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year.

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Draft Red Herring Prospectus, except as disclosed below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 01, 2024	1,46,49,048	10.00	-	Bonus Issue	Capitalization of Reserves & Surplus*	Mr. T Balakumar	76,11,930
						Ms. Sudha Alagarsamy	25,79,805
						Mr. Venkadasamy Thirupathi	9,00,000
						Mr. Solaisamy Solaisamy Alagarsamy	9,00,000
						Ms. Ramasamy Premavathi	9,00,000
						B.M.M. Paper Board Private Limited	14,17,122
						Mr. Ramasubbu Venkatesh	57,600
						Ms. Madhumitha Balakumar	35,064
						Saradhambika Paper and Board Mills Private Limited	2,47,527
						Total	
June 15, 2024	8,03,350	10.00	105.00	Preferential Issue	June 15, 2024	M/s. G Prakash Chand Baid HUF	1,26,973
						M/s. GJNX Ventures	1,26,973
						M/s. 1955 Venture Fund	1,26,974
						Mr. Sandeep Bhandari	47,620
						M/s. Shagun Capital Venture	38,100
						Ms. Kalpana Golecha	33,330
						Ms. Akilandeswari Selvamurthy	14,300
						Mr. Giridharan M. S.	9,560
						Ms. Nitaben Prakashbhai Shah	9,560
						Mr. Prashant Mishra	9,560
						M/s. R S Financial Solution	19,100
						Mr. Jai Shankar Raghava Chandra	19,000
						Mr. Ethirajulu Srinivasan	19,300
						M/s. Manasi Commodities LLP	1,01,500
M/s. Tasmseem Commercial LLP	1,01,500						
Total							8,03,350

*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

8. Our Shareholding Pattern

- a) **The table below presents the current shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus**

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form* (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No	As a % of total Shares held (b)	No		As a % of total Shares held (b)
								Class-Equity	Class	Total								
A	Promoters & Promoter Group	08	1,61,93,672	-	-	1,61,93,672	94.81	1,61,93,672	-	1,61,93,672	94.81	-	-	-	-	-	1,61,93,672	
B	Public	17	8,86,398	-	-	8,86,398	5.19	8,86,398	-	8,86,398	5.19	-	-	-	-	-	83,048	
C	Non Promoter Non -Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	25	1,70,80,070	-	-	1,70,80,070	100.00	1,70,80,070	-	1,70,80,070	100.00	-	-	-	-	-	1,62,76,720	

Notes
As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹10.00 each.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares.

The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

*Our Company has filed Corporate Action documents with depositories i.e. National Securities Depository Limited & Central Depository Services (India) Limited for the credit of Shares issued by way of preferential allotment dated June 15, 2024. However, the same is under process.

a) Equity Shareholding of Directors and Key Managerial Personnel and senior management in our Company:

Except as stated below, none of our directors or Key Managerial Personnel or senior management hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1	Mr. T Balakumar	84,57,700	49.52	84,57,700	[●]
2	Ms. Sudha Alagarsamy	28,66,450	16.78	28,66,450	[●]
3	Mr. Ramasubbu Venkatesh	64,000	0.37	64,000	[●]
	Total	1,13,88,150	66.68	1,13,88,150	[●]

b) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Mr. T. Balakumar	84,57,700	49.52
2	Ms. Alagarsamy Sudha	28,66,450	16.78
3	Mr. Venkadasamy Thirupathi	10,00,000	5.85
4	Mr. Solaisamy Solaisamy Alagarsamy	10,00,000	5.85
5	Ms. Ramasamy Premavathi	9,80,952	5.74
6	B.M.M. Paper Board Private Limited	15,74,580	9.22
7	Saradhambika Paper and Board Mills Private Limited	2,75,030	1.61
	Total	1,61,54,712	94.57

c) List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Mr. T. Balakumar	84,57,700	49.52
2	Ms. Alagarsamy Sudha	28,66,450	16.78
3	Mr. Venkadasamy Thirupathi	10,00,000	5.85
4	Mr. Solaisamy Solaisamy Alagarsamy	10,00,000	5.85
5	Ms. Ramasamy Premavathi	9,80,952	5.74
6	B.M.M. Paper Board Private Limited	15,74,580	9.22
7	Saradhambika Paper and Board Mills Private Limited	2,75,030	1.61
	Total	1,61,54,712	94.57

d) List of shareholders holding 1% or more of the paid-up capital of our company as on date one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	B.M.M. Paper Board Private Limited	1,57,458	9.67
2	Mr. Venkadasamy Thirupathi	1,00,000	6.14
3	Ms. Ramasamy Premavathi	1,00,000	6.14
4	Saradhambika Paper and Board Mills Private Limited	27,503	1.69
5	Mr. Solaisamy Solaisamy Alagarsamy	1,00,000	6.14
6	Ms. Sudha Alagarsamy	2,86,645	17.61
7	Mr. T Balakumar	7,39,756	45.45
8	Ms. Radhabai Kichappa	50,968	3.13
9	Mr. Durairaj Venkatasamy	48,649	2.99
	Total	16,10,979	98.97

- e) List of shareholders holding 1% or more of the paid-up capital of our company as on date two year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	B.M.M. Paper Board Private Limited	1,57,458	9.67
2	Mr. Venkadasamy Thirupathi	1,00,000	6.14
3	Mr. Ramasubbu Venkatesh	1,00,000	6.14
4	Saradhambika Paper and Board Mills Private Limited	27,503	1.69
5	Mr. Solaisamy Solaisamy Alagarsamy	1,00,000	6.14
6	Ms. Sudha Alagarsamy	2,86,645	17.61
7	Mr. T Balakumar	7,39,756	45.45
8	Ms. Radhabai Kichappa	50,968	3.13
9	Mr. Durairaj Venkatasamy	48,649	2.99
	Total	16,10,979	98.97

9. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation.

10. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of this Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.

12. Our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Details of our Promoters Shareholding.

As on the date of this Draft Red Herring Prospectus, our Promoters Mr. T Balakumar and Ms. Sudha Alagarsamy holds 66.30% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of our Promoters' shareholding in our Company:

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
Mr. T Balakumar							
Incorporation	4,500	10.00	10.00	Cash	Subscribers to MOA	0.03	[●]
March 20, 2006	4,45,500	10.00	10.00	Cash	Further Issue	2.61	[●]
November 30, 2012	5,710	10.00	282.00	Cash	Further Issue	0.03	[●]
December 21, 2013	24,628	10.00	350.00	Cash	Further Issue	0.14	[●]
March 31, 2014	18,099	10.00	388.00	Cash	Further Issue	0.11	[●]
March 30, 2015	21,783	10.00	500.00	Other than Cash	Preferential Issue	0.13	[●]
April 07, 2016	8,510	10.00	312.00	Cash	Transfer from Ms. Aishwariya R	0.05	[●]

April 07, 2016	5,673	10.00	312.00	Cash	Transfer from Ms. T Dhanalakshmi	0.03	[●]
April 07, 2016	4,255	10.00	312.00	Cash	Transfer from Mr. R Ramkumar	0.02	[●]
April 07, 2016	4,609	10.00	-	Other than Cash	Transfer from Ms. Madhumitha Balakumar	0.03	[●]
August 24, 2017	1,20,567	10.00	541.00	Cash	Transfer from Rajashree Spintex Private Limited	0.71	[●]
August 24, 2017	51,433	10.00	541.00	Cash	Transfer from Rajashree Spintex Private Limited	0.30	[●]
August 24, 2017	18,050	10.00	541.00	Cash	Transfer from Rajashree Spintex Private Limited	0.11	[●]
August 24, 2017	46	10.00	541.00	Cash	Transfer from Rajashree Spintex Private Limited	0.00	[●]
August 20, 2019	3,546	10.00	570.00	Cash	Transfer from Mr. Venkat Raghvan	0.02	[●]
August 20, 2019	2,847	10.00	570.00	Cash	Transfer from Mr. Venkat Raghvan	0.02	[●]
March 05, 2024	6,397	10.00	1,008.00	Cash	Transfer from Mr. P Balagurunathan	0.04	[●]
May 03, 2024	99,617	10.00	-	Other than Cash	Transmission of Shares of Ms. T Rukkumaniammal	0.58	[●]
June 01, 2024	76,11,930	10.00	-	Other than Cash	Bonus Issue	44.57	[●]
	84,57,700					49.52	[●]
Ms. Sudha Alagarsamy							
Incorporation	2,500	10.00	10.00	Cash	Subscribers to MOA	0.01	[●]
March 20, 2006	2,47,500	10.00	10.00	Cash	Further Issue	1.45	[●]
November 30, 2012	30,851	10.00	282.00	Cash	Further Issue	0.18	[●]
April 07, 2016	5,794	10.00	365.00	Cash	Transfer from Mr. S Rajendran	0.03	[●]
June 01, 2024	25,79,805	10.00	-	Other than Cash	Bonus Issue	15.10	[●]
	28,66,450					16.78	[●]

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares

The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
A)	Promoters				
1.	Mr. T Balakumar	84,57,700	49.52	84,57,700	[●]
2.	Ms. Sudha Alagarsamy	28,66,450	16.78	28,66,450	[●]
	Total (A)	1,13,24,150	66.30	1,13,24,150	[●]
B)	Promoter Group				
1	B.M.M. Paper Board Private Limited	15,74,580	9.22	15,74,580	[●]
2	Mr. Venkadasamy Thirupathi	10,00,000	5.85	10,00,000	[●]
3	Ms. Ramasamy Premavathi	9,80,952	5.74	9,80,952	[●]
4	Mr. Solaisamy Solaisamy Alagarsamy	10,00,000	5.85	10,00,000	[●]
5	Saradhambika Paper and Board Mills Private Limited	2,75,030	1.61	2,75,030	[●]
6	Mr. Madhumitha Balakumar	38,960	0.23	38,960	[●]
	Total (B)	48,69,522	28.51	48,69,522	[●]
	Total (A+B)	1,61,93,672	94.81	1,61,93,672	[●]

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. T Balakumar	84,57,700	17.89
2.	Ms. Sudha Alagarsamy	28,66,450	4.65

15. We have 25 (Twenty-Five) Shareholders as on the date of this Draft Red Herring Prospectus

16. We hereby confirm that:

Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Draft Red Herring Prospectus.

Date of Allotment / Transfer	Name of Shareholder	No. of Equity Shares allotted / Transferred / Acquired	% of Pre-Issue Capital	Subscribed / Acquired / Transfer	Category of Allottees (Promoters / Promoter Group / Relatives)
February 22, 2024	Ms. T Rukkumaniammal	99,617	0.58	Transfer from Mr. Durairaj Venkatasamy	Promoter Group
March 05, 2024	Ms. T Balakumar	6,397	0.04	Transfer from Mr. P Balagurunathan	Promoter
May 03, 2024	Mr. T Balakumar	99,617	0.58	Transmission of shares of Ms. T Rukkumaniammal	Promoter
June 01, 2024	Mr. T Balakumar	76,11,930	44.57	Bonus Issue	Promoter
June 01, 2024	Ms. Sudha Alagarsamy	25,79,805	15.10	Bonus Issue	Promoter
June 01, 2024	Mr. Venkadasamy Thirupathi	9,00,000	5.27	Bonus Issue	Promoter Group
June 01, 2024	Mr. Solaisamy Solaisamy Alagarsamy	9,00,000	5.27	Bonus Issue	Promoter Group

Date of Allotment / Transfer	Name of Shareholder	No. of Equity Shares allotted / Transferred / Acquired	% of Pre-Issue Capital	Subscribed / Acquired / Transfer	Category of Allottees (Promoters / Promoter Group / Relatives)
June 01, 2024	Ms. Ramasamy Premavathi	9,00,000	5.27	Bonus Issue	Promoter Group
June 01, 2024	B.M.M. Paper Board Private Limited	14,17,122	8.30	Bonus Issue	Promoter Group
June 01, 2024	Ms. Madhumitha Balakumar	35,064	0.21	Bonus Issue	Promoter Group
June 01, 2024	Saradhambika Paper and Board Mills Private Limited	2,47,527	1.45	Bonus Issue	Promoter Group

No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.

17. Details of Promoters' Contribution and Lock-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,13,24,150 Equity Shares constituting [●] % of the post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include [●] Equity Shares held by them and subscribed by them as part of Promoters' Contribution constituting [●] % of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment / transfer and made fully paid up	No. of Equity Shares locked in	Face Value Per Share (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Mr. T Balakumar						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]				[●]	
Ms. Sudha Alagarsamy						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]				[●]	

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets

or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;

- b) The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price;
- c) No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price
- d) The Equity Shares held by the Promoters and offered for minimum Promoter's contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoters are in dematerialized form and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

We further confirm that our Promoter's Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

18. Equity Shares locked-in for one year other than Minimum Promoters' Contribution

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

19. Inscription or recording of non-transferability

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

20. Pledge of Locked in Equity Shares

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;

if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

21. Transferability of Locked in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

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

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

22. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
23. As on date of this Draft Red Herring Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
24. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
25. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "**Basis of Allotment**" in the chapter titled "**Issue Procedure**" beginning on page 306 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
28. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
31. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.

32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. There are no Equity Shares against which depository receipts have been issued.
34. As per RBI regulations, OCBs are not allowed to participate in this issue
35. This Issue is being made through Book Built Method.
36. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
37. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
38. None of our Promoters and Promoter Group will participate in the Issue.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

**SECTION VII: PARTICULARS OF THE ISSUE
OBJECT OF THE ISSUE**

The Issue includes a fresh Issue of upto 62,50,000 Equity Shares at an Issue Price of ₹ [●] per Equity Share.

FRESH ISSUE

The details of the proceeds of the Fresh Issue are summarized below:

Particulars	Amount
Gross Proceeds from the Fresh Issue	[●]
Less: Issue related expenses*	[●]
Net Proceeds of the Fresh Issue	[●]

*These expenses do not include any GST chargeable or TDS deductible.

REQUIREMENTS OF FUNDS

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects (“Objects of the Issue”):

- a) Investment in Subsidiary for Financing its Capital Expenditure requirements
- b) General Corporate Purposes

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchange, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. Our company is engaged in the manufacturing of Kraft Paper and Duplex Boards.

The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

PROPOSED SCHEDULE OF UTILIZATION AND DEPLOYMENT OF NET PROCEEDS

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

Sr. No.	Particulars	Total Estimated Expenditure	Amount Deployed till Date of Filing this Document	Amount to be Financed and deployed from Net Proceeds by the Financial Year ended March 31, 2025
1	Investment in Subsidiary for Financing its Capital Expenditure requirements	7,500.00	--	7,500.00
2	General Corporate Purposes*	[●]	--	[●]
	Total	[●]	--	[●]

*General Corporate Purpose shall not exceed 25% of the Net Issue Proceeds

Means of Finance:

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals.

Since the fund requirements set out for the aforesaid Objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a Internal Accruals or Unsecured / Secured Loans or a combination of both.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "**Risk Factors**" beginning on page 32 of this Draft Red Herring Prospectus.

1) Investment in Subsidiary for Financing its Capital Expenditure requirements

Our company proposes to invest a sum of ₹7,500.00 lakhs in its subsidiary, viz., Subam Paper & Boards Private Limited by acquiring such numbers of equity shares of Subam Paper & Boards Private Limited as may be necessary and at such price as will be derived upon valuation of the business of said subsidiary by competent authorities. Our company holds 100% shares of Subam Paper & Boards at present. The said investment will increase our profitability and provide benefit of lower taxation to our subsidiary.

Subam Paper & Boards Private Limited is a private company incorporate on July 19, 2020 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. It is engaged in the manufacture and trading of Kraft Paper Boards, Cones, Tubes and other paper products. It is currently running its manufacturing unit at SF No. 128, 129, 140 and parts of 141 & 142, Kallor-Thiurpanikarisalkulam, Mangammal Salai, Vadukanpatti, Tirunelveli, Tamil Nadu, a place taken on lease from our company (Subam Papers Limited). The current shareholding pattern of our Subam Paper & Boards Private Limited is as follows:

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Subam Papers Limited*	82,00,000	100.00
	Total	82,00,000	100.00

**81,99,999 Equity Shares are held by Subam Papers Limited and 1 Equity Share is held by Mr. T Balakumar as nominee on behalf of Subam Papers Limited, who is the beneficial owner of such Equity Shares.*

As an anticipated plan of expansion of our subsidiary and to expand their manufacturing facilities in order to cater the increased demand, they are in process of setting up an additional manufacturing facility at S.F. No. 128, 129, 140 and parts of 141 & 142, Kallor-Thiurpanikarisalkulam, Mangammal Salai, Vadukanpatti, Tirunelveli, Tamil Nadu. The said

property measuring 33.54 acres is taken on lease from our company Subam Papers Limited for a period of 40 Years with provisions of periodical renewals.

The investment of ₹7,500.00 lakhs through allotment of Equity Shares of Subam Paper & Boards Private Limited shall be utilized by them towards their capital expenditures for setting up additional manufacturing facility, details of which is as follows:-

a) Setting up of Manufacturing unit- Paper Plant

Our subsidiary Subam Paper & Boards Private Limited has constructed a shed to accommodate the additional paper and paper product manufacturing facility at S. F. No. 128, 126, 129, 140 and parts of 141 & 142, Kallor-Thiurpanikarisalkulam, Mangammal Salai, Vadukanpatti, Tirunelveli, Tamil Nadu. It further intends to make capital expenditure for purchase of plant & machineries at the said unit to the tune of Rs. 6,047.41 Lakhs. They intend to deploy ₹4,500.00 Lakhs towards purchase of Machineries in order to set up the said facility from the investment received from our company, the deficit or balance shall be met from internal accruals or borrowings directly by the subsidiary . A detailed break-down of estimate for procuring and installation of the same along with details of the quotation, as applicable, is set forth below:

(Amount in Rs. Lakhs, unless otherwise specified)

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
1	April 02, 2024	Conveyor	36.72	-	36.72	Quotation received from SR STRUCTURES for Rs 36.72 lakhs having validity until July 31, 2024
2	November 08, 2022	Pulper Gear Box	30.68	7.80	22.88	Purchase Order is issued to ELECON ENGINEERING COMPANY LIMITED for Rs 30.68 lakhs with advance payment of Rs. 7.80 lakhs and will be delivered until September 30, 2024
3	November 10, 2022	Vacuum pump Gear box	14.63	3.72	10.91	Purchase Order is issued to ELECON ENGINEERING COMPANY LIMITED for Rs 14.63 lakhs with advance payment of Rs. 3.72 lakhs and will be delivered until September 30, 2024
4	December 27, 2022	Pope, calender roll gear box	8.85	2.25	6.60	Purchase Order is issued to ELECON ENGINEERING COMPANY LIMITED for Rs 14.63 lakhs with advance payment of Rs. 3.72 lakhs and will be delivered until September 30, 2024
5	March 27, 2024	HDCC -01	7.16	55.21	285.82	Purchase Order is issued to Parason for Rs 289.01 lakhs with advance
		HDCC -04	9.39			
		Combo screen	33.94			

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
		Pressure Screens	29.29			payment of Rs. 55.21 lakhs having validity until July 31, 2024
		LC pressure screen VSL 12	40.56			
		Light reject Cleaner	7.51			
		LC Centri cleaner 4 stage	40.68			
		Manual solation valves	6.26			
		Repulper	7.25			
		Disc Filter PDF	158.99			
6	March 23, 2024	RAD supply system	16.88	-	16.88	Quotation received from S.P. erectors & Fabricators for Rs 16.88 lakhs having validity until July 31, 2024
		Dye supply system	-	-	-	
		DSR supply system	-	-	-	
7	May 27, 2024	Centricleaner Cones	19.03	-	19.03	Quotation received from Valmet having validity until July 30, 2024
8	March 18, 2024	Cantilever studs with Nuts Length 1444	0.76	-	0.76	Quotation received from Supreme Technologies for Rs. 5.51 lakhs having validity until July 30, 2024
		Cantilever studs with Nuts Length 1655	1.20	-	1.20	
		Couch Distance Piece-1	1.48	-	1.48	
		Couch Distance Piece-2	2.07	-	2.07	
9	March 05, 2024	Headbox service	123.25	-	123.25	Quotation received from Voith for Rs. 98.89 lakhs having validity until July 30, 2024
10	March 15, 2024	Shoe press roll Spares	127.95	63.91	64.04	Purchase Order issued to Voith for Rs. 127.95 lakhs with advance of Rs.63.91 lakhs
11	March 15, 2024	Shoe press roll Spares & Service	55.51	-	55.51	Service PO issued to Voith amounting to Rs.47.05 lakhs
14	April 16, 2024	Duo cleaner - ProJet BV	60.44	-	60.44	Quotation received from ProJet BV- Netherlands. For Rs. 60.44 Lakhs having validity upto July 31, 2024
15	PO. No. 185	Dryer Cylinder	10.09	2.95	7.14	Purchase Order issued to DANDONG GAOXIN

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
		Chrome coated				DRYER MANUFACTURING CO LTD of Rs. 10.09 lakhs with advance of Rs. 2.95 lakhs
16	March 17, 2024	Rope feeding system	52.51	-	52.51	Quotation received from H & T Engineering of Rs. 44.50 lakhs having validity until July 30, 2024
17	October 03, 2022	Vacuum Pumps	97.94	16.60	81.34	PO issue to KKT SHAKTI HITECH PRIVATE LIMITED of Rs. 83 lakhs with advance of 16.60 lakhs to be delivered within September 30, 2024
18	March 15, 2024	Cooling Tower	3.43	-	3.43	Quotation received from Classic Cooling Towers of Rs.3.43 lakhs with validity until July 30, 2024
19	November 08, 2022	BOW SCREEN	28.36	8.23	20.14	PO issued to ZHENGNHOU LEIZHAN TECHNOLOGY PAPER MACHINERY CO LTD of Rs.28.36 lakhs with advance of Rs.8.23 lakhs to be delivered within September 30, 2024
20	April 29, 2024	Steam & Condensate System Automation Part-A	2.25	-	2.25	Quotation received from UNI Tech Engineering Solution of Rs..178.10 lakhs having validity until July 31, 2024
		Steam & Condensate System Automation Part B	89.75	-	89.75	
		PRS Station-Part D	22.75	-	22.75	
		Mandatory Accessories	63.35	-	63.35	
21	September 28, 2022	POWER TRANSFORMER	271.34	68.54	202.80	Purchase Order received from TRINITY ELECTRICALS of Rs. 229.95 lakhs with advance of Rs. 68.54 lakhs to be delivered within September 30, 2024

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
22	September 28, 2022	DISTRIBUTION	53.18	13.52	39.66	Purchase Order received from TRINITY ELECTRICALS of Rs. 45.07 lakhs with advance of Rs.13.52 lakhs to be delivered within September 30, 2024
23	September 28, 2022	VCB36 KV	46.22	11.75	34.47	Purchase Order issued to GEEKAY ENERGYTECH of Rs.39.17 lakhs with advance of Rs.11.75 lakhs to be delivered within September 30, 2024
24	September 28, 2022	VCB 36 KV	9.10	2.31	6.79	Purchase Order issued to GEEKAY ENERGY TECH of Rs. 7.71 lakhs with advance of Rs.2.31 lakhs having validity until July 30, 2024
25	October 28, 2022	SIEMENS MATERIAL	1,250.80	212.00	1,038.80	Purchase Order issued to SIEMENS LIMITED of Rs. 1060 lakhs with advance of Rs.212.00 lakhs to be delivered within September 30, 2024
26	November 04, 2022	Automation - DCS SYSTEM	245.00	36.75	208.25	Quotation received from HONEYWELL of Rs 245 lakhs with advance of Rs.36.75 lakhs
27	March 23, 2024	Automation - DCS SYSTEM SERVICE	8.00	-	8.00	Service Quotation received from HONEYWELL of Rs. 8 lakhs for installation of machine
28	May 09, 2024	Field Instruments	162.84	-	162.84	Purchase Order issued to EMERSON PROCESS MANAGEMENT INDIA PRIVATE LTD of Rs.138 lakhs
29	May 29, 2024	Consistency Transmitters Optical type & Display Unit	8.14	-	8.14	Purchase Order issued to BTG Instruments AB of 64,005 Euros having validity until August 07, 2024
		Consistency Transmitters Moving Blade with display Unit	16.28	-	16.28	
		Consistency Transmitters	7.16	-	7.16	

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
		Rotary with Display Unit				
		Retention Transmitters Peak Two Retractive Type	14.13	-	14.13	
		Retention Transmitters Peak Two Light Version on Stud	12.18	-	12.18	
30	May 26, 2022	Cables, Fittings & GI Tray	195.41	-	195.41	Quotation received from Super Tech Instrument Services of Rs 195.41 having validity until July 30, 2024
31	June 04, 2024	Air Compressor & accessories				Purchase Order issued to Sri Meenakshi Pneumatics of Rs 80 Lakhs
		Air Compressor 1000 CFM	63.40	-	63.40	
		Air Dryer	16.43	-	16.43	
		Air Receiver Tank 4000 Lit	2.18	-	2.18	
		Air Receiver Tank 2000 Lit	3.19	-	3.19	
		Air Filter	2.36	-	2.36	
		Drive 00KW with Panels	6.84	-	6.84	
32	April 02, 2024	ETP	267.00	-	267.00	Quotation received from Paques of Rs.267 lakhs having validity until July 30, 2024
33	April 13, 2024	ETP-AERATORS	56.88	-	56.88	Quotation received from INDOFAB of Rs. 56.88 lakhs having validity until July 30, 2024
34	March 24, 2024	Pumps	115.76	-	115.76	Quotation received from ANDRITZ HYDRO having validity until July 30, 2024
35	March 19, 2024	Pipes & fittings	412.94	-	412.94	Quotation received from ADINATH STEELS of Rs. 349.95 lakhs having validity until July 30, 2024
36	March 23, 2024	Insulation	47.20	-	47.20	Quotation received from SP erector of Rs.40 lakhs having validity until July 31, 2024
37	March 23, 2024	Safety Guards	29.50	-	29.50	Quotation received from SP erector of Rs.25 lakhs having validity until July 31, 2024

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
38	October 20, 2022	Paper Machine Erection cost	99.99	45.00	54.99	Quotation received from RAYUDU ENGINEERING of Rs. 99.99 lakhs with advance of Rs.45 lakhs
39	March 23, 2024	Pipe line Fabrication and erection	52.25	-	52.25	Quotation received from KRK Tech of Rs. 52.25 lakhs having validity until July 30, 2024
40	March 18, 2024	Reels unloading- lift	13.50	-	13.50	Quotation received from SHA Hydraulic and parking equipment of Rs.13.50 lakhs having validity until July 30, 2024
41		Platform & ladders	20.00	-	20.00	Quotation received from SP erector of Rs.20 lakhs having validity until July 31, 2024
42	March 12, 2024	SS. Tanks Fabrications	15.40	1.00	14.40	Purchase Order issued to SP erector of Rs. 15.40 lakhs with advance of Rs.1.00 lakh
43	April 02, 2024	civil works for tanks platforms	995.16	-	995.16	Quotation received from Sri Balaji Associates of Rs. 995.16 lakhs having validity until July 30, 2024
44	April 20, 2024	Cables	302.94	-	302.94	Quotation received from Havells India Ltd of Rs. 256.73 lakhs having validity until July 31, 2024
45	May 27, 2024	Cable tray	43.18	-	43.18	Quotation received from Shikhar Enterprises of Rs 36.60 lakhs having validity until August 05, 2024
46	May 01, 2024	Vibro Seperator/ Filter Machine	8.38	-	8.38	Quotation received from Galaxy Sivtek Pvt. Ltd. Of Rs. 8.38 lakhs having validity until July 31, 2024
47	June 12, 2024	Dryer Screen	87.60	-	87.60	Quotation received from Albany International for Rs. 78.21 lakhs having validity until July 30, 2024
48	June 12, 2024	Felts	92.30	-	92.30	Quotation received from Albany International for Rs. 82.41 lakhs having validity until July 30, 2024

Sr. No.	Date of Quotation/Purchase Order	Product Description	Total Value	Advance already Given	Amount Pending	Details
49	June 12, 2024	wire	64.30	-	64.30	Quotation received from Albany International for Rs. 57.41 lakhs having validity until July 30, 2024
50	April 02, 2024	Shoe press sleeve	102.59	-	102.59	Quotation received from Albany International for Rs. 86.94 lakhs having validity until July 30, 2024
51	April 13, 2024	Load cell	8.26	4.13	4.13	Purchase Order issued to ABB India Ltd of Rs.7 lakhs with advance of Rs. 4.13 lakhs
Total			6,603.08	555.67	6,047.41	

€ Foreign Exchange Rate of Euro as on July 09, 2024 is considered as 1€= ₹90.46 for conversion.

b) Setting up of Power Generating Co-generation plant

The operations benefit from an uninterrupted 24x7 dedicated power line, ensuring a constant and reliable power supply. In addition to this, we prioritize captive renewable power generation through solar and windmills. This strategic approach helps contribute to making our overall production processes more sustainable and eco-friendlier. In order to receive uninterrupted supply of Power and steam for the additional unit also, our subsidiary proposed to setup its own co-generation power plant to cater to the needs of its manufacturing unit.

The subsidiary company intend to deploy Rs. 3,000.00 Lakhs towards Setting up of Co-Generation Power Plant from the investment received from our company. We have received a cost estimate for executing, designing, supervision and procuring all relevant installation, detailed break-down of the same along with details of the quotation, as applicable, is set forth below:

Sr. No.	Name of the Equipment/ Item Description	Budget basic price	Quotation Details
1	EPC offer for the supply and installation of a 5 MW Co-Gen power plant with equipments:		Based on Quotation dated June 16, 2024 received from Maxtherm Cogen Pvt. Ltd. having validity of 180 days
	(a) Civil engineering and construction of boiler foundation	510.00	
	(b) Steam Boiler BI -DRUM- Reciprocating Grate Boiler – 50 TPH	2240.00	
	(c) Supply of steam turbine and Generator with lubrication system	880.00	
	(d) RO Plant (mixed bed, pH booster, RO water storage tank)	580.00	
	(e) Erection & commissioning	315.00	
	(f) Transportation	32.00	
	Total	4,557.00	

Notes:

- We have considered the above quotations for the budgetary estimate purpose and have placed orders for few of them. The actual cost of procurement and actual supplier/dealer may vary.
- All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, except as stated above, we have not entered into any definitive agreements with most of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or

any modification/addition/deletion of machineries or equipments) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipments or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipments and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

4. We are not acquiring any second-hand machinery.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals.

Information as per Clause 9(A)(3)(d) of Part A of Schedule VI of SEBI ICDR Regulations, 2018: -

Terms & Conditions

The company intends to utilize the entire amount earmarked for Acquisition of shares of its subsidiary Subam Paper & Boards Private Limited in Financial Year 2024-25 and the subsidiary will utilize for the purpose abovementioned in as per the requirement of funds.

Nature of Benefit expected to Accrue

Subam Paper & Boards Private Limited carrying on the business of manufacture, sale and dealing in Kraft Paper Boards, Cones, Tubes and other paper and paper products and is expected to grow and give long term financial benefits to our company in terms of share of profit and other financial assistance over the years.

Further, in case of any unwanted delay or any condition precedent which are beyond the control of the Company or any contractual problems including force majeure in investing in equity shares of Subam Paper & Boards Private Limited, our Company may choose other available investment options which the Board of Directors may deem fit and which is beneficial to our Company as a whole.

In such case we may undertake new acquisition or development either directly or through other entities or as a part of joint venture with other parties or in any other manner. Availability of financial resources at the time of such acquisition opportunity is a big competitive advantage for any business organization.

Proposed Schedule of Implementation

The proposed schedule of implementation for installation of Manufacturing facilities is as follows:

Paper Plant

Particulars	Estimated Month of	
	Commencement	Completion
Order of Plant & Machinery	September 2024	September 2024
Delivery of Machineries	October 2024	January 2025
Installation & Erection of Machineries	December 2024	February 2025
Trial Run and R&D	March 2025	
Commercial Production	April 2025	

**Assuming we receive the IPO Proceeds in the month of August/September 2024.*

Power generating Co-generation Plant

Particulars	Estimated Month of	
	Commencement	Completion
Order of Plant & Machinery	September 2024	September 2024
Delivery of Machineries	April 2025	June 2025

Installation & Erection of Machineries	April 2025	August 2025
Trial Run	September 2025	
Commercial Operation	September 2025	

*Assuming we receive the IPO Proceeds in the month of August/September 2024.

2) General Corporate Purpose

Our management will have flexibility to deploy ₹[●] lakhs, aggregating to [●]% of the Gross Proceeds towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and strategic entity/business acquisitions, branding, marketing, new client referral fees meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board of Directors. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any Issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Draft Red Herring Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

Proposed Year wise Deployment of Funds / Schedule of Implementation

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2024 – 25.

Public Issue Expense

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee, Listing Fee, etc. The total expenses for this Issue are estimated to be approximately ₹ [●] Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses (₹ In Lakh) ⁽¹⁾	% of Total Issue Expenses ⁽¹⁾	% of Total Issue size ⁽¹⁾
Payment to the Lead Managers	[●]	[●]	[●]
Market Making Fees	[●]	[●]	[●]
Fees payable to Registrar to Issue	[●]	[●]	[●]
Fees to Legal Advisor	[●]	[●]	[●]
Advertisement Expenses	[●]	[●]	[●]
Fees payable to Regulators including Stock Exchange	[●]	[●]	[●]
Printing & Distribution Expenses	[●]	[●]	[●]
Marketing & Selling Expenses	[●]	[●]	[●]
Payment to Sponsor Bank	[●]	[●]	[●]
Statutory & Other Reports	[●]	[●]	[●]
Total	[●]	[●]	[●]

⁽¹⁾Will be incorporated at the time of filing of the Prospectus and on determination of Issue Price and other details.

Selling commission payable to the SCSBs on the portion for QIBS, Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for QIB	[●]% of the Amount Allotted* (plus applicable taxes)

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

No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

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

Processing fees payable to the SCSBs of Rs. 10.00 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees procured by the Syndicate Member/ Sub-Syndicate Members/ Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds Rs. [●] lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed Rs. [●] lakhs.

For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs

Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders and Eligible Employees which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and 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	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for QIB	[●]% of the Amount Allotted* (plus applicable taxes)

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

The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE Limited.

Uploading charges/ processing charges of Rs. [●] valid application (plus applicable taxes) is applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: for applications made by Retail Individual Investors using the UPI Mechanism. In case the total processing charges payable under this head exceeds Rs. [●] lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed Rs. [●] lakhs.)

Uploading charges/processing charges of Rs. [●] valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds Rs. [●] lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed Rs. [●] lakhs.

The Bidding/uploading charges payable to the Syndicate/ Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE Limited.

For Registered Brokers:

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders and Non-Institutional Bidders

₹[●] per valid application* (plus applicable taxes)

*Based on valid applications.

For Sponsor Bank:

Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be ₹ [●] per valid Bid cum Application Form* (plus applicable taxes), subject to maximum processing fee not exceeding Rs. [●] lakhs.. 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.

* For each valid application

Appraisal by Appraising Fund

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

Shortfall of Funds

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

Bridge Financing Facilities

As on the date of this Draft Red Herring Prospectus, we have not raised any bridge loans, which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/ cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Monitoring Utilization of Funds

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

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

Variation in Objects

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

Other Confirmations

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

BASIS OF ISSUE PRICE

Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on page 32, 113 and 224 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the Book Running Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹ [●] which is [●] times of the face value.

Qualitative Factors

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

1. Paper waste recycle and Sustainable packaging solutions
2. Significant Advantage Due to Proximity of Subam's Factory Location
3. Efficient Inventory Management
4. Fully Integrated Manufacturing Facility
5. Consistent Financial Performance
6. Advantage of producing all grades of Paper

For further details, see “*Risk Factors*” and “*Our Business*” beginning on pages 32 and 113, respectively.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see “*Financial Information*” beginning on page 224.

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

Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

As per Restated Financial Statements (Pre-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2022	159.75	1
March 31, 2023	(1.65)	2
March 31, 2024	205.31	3
Weighted Average	128.73	

As per Restated Financial Statements (Post-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2022	15.98	1
March 31, 2023	(0.16)	2
March 31, 2024	20.53	3
Weighted Average	12.87	

*Notes:

1. *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
2. *The ratios have been computed as below:*
 - *Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.*
 - *Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the*

- adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.
- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.
 - Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. $\{(EPS \times Weight) \text{ for each year} \} / \{Total \text{ of weights}\}$.

For further details, see “Other Financial Information” on page 224.

Price/Earning (“P/E”) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on Restated Financial Statements		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	[●]	[●]

Note: The P/E ratio has been computed by dividing Issue Price with EPS

Return on Net Worth as per Restated Financial Statements

Period	RONW (%)	Weight
March 31, 2022	15.67%	1
March 31, 2023	(0.16) %	2
March 31, 2024	16.79%	3
Weighted Average	10.95%	

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

Net Asset Value (NAV) per Equity Share

As per Restated Financial Statements – Pre-Bonus

Sl. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2022	1,019.19
b)	As on March 31, 2023	1,017.55
c)	As on March 31, 2024	1,222.86

As per Restated Financial Statements – Post-Bonus

Sl. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2022	101.92
b)	As on March 31, 2023	101.75
c)	As on March 31, 2024	122.29
d)	Net Asset Value per Equity Share after the Issue at Issue Price	[●]
e)	Issue Price*	[●]

Notes:

- NAV has been calculated as Net worth divided by number of Equity Shares at the end of the year.
- Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of year/period.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

4. Net Worth and the number of equity shares as at the end of the year/period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth and the number of equity shares outstanding as at the end of the year/period has not been derived from Restated Consolidated Financial Information.

For further details, see “Other Financial Information” on page 224.

Comparison with Listed Industry Peer:

Particulars	CMP*	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakh)
Subam Papers Limited	[●]	20.53	[●]	16.79%	122.29	10.00	49,386.46
Peer Group **							
Pakka Limited	250.70	11.21	22.36	17.25%	64.36	10.00	40,400.00
Shree Ajit Pulp And Paper Limited	231.85	14.18	16.35	3.35%	302.68	10.00	29,450.83

* CMP for our Company is considered as Issue Price

** Source: www.bseindia.com.

Notes:

- (i) The figures of Subam Papers Limited are based on financial statements as restated as on March 31, 2024.
- (ii) Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
- (iii) Current Market Price (CMP) is the closing price of peer group scrips as on July 9, 2024.
- (iv) The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2024.

The face value of our share is ₹10.00 per share and the Issue Price is of ₹ [●] per share are [●] times of the face value.

Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 01, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by CNGSN & Associates LLP, Chartered Accountants, by their certificate dated July 01, 2024.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 96 and 241 respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Key Performance Indicators of Our Company

(₹ in Lakh)

Key Financial Performance	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations ⁽¹⁾	49,386.46	50,829.89	32,927.45
EBITDA ⁽²⁾	7,272.10	3,148.87	4,071.90
EBITDA Margin ⁽³⁾	14.72%	6.19%	12.37%
PAT	3,341.80	(26.79)	2,600.23
PAT Margin ⁽⁴⁾	6.77%	(0.05)%	7.90%
Networth ⁽⁵⁾	19,904.12	16,562.32	16,589.11
RoE % ⁽⁶⁾	16.79%	(0.16)%	15.67%
RoCE% ⁽⁷⁾	20.84 %	5.88%	12.82%

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income.

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁵⁾ Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings. Here, EBIT is calculated as Profit before tax + Interest Expenses - Other Income.

Explanations for KPI Metrics

KPI	Explanation
Revenue from Operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE%	RoE provides how efficiently our Company generates profits from Shareholders' Funds
RoCE%	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

Weighted Average Cost of Acquisition

(a) The price per share of our Company is based on the primary issuance of equity shares.

Except as disclosed below, there has been no issuance of Equity Shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days:

Date of Allotment	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
June 15, 2024	8,03,350.00	10.00	105	Preferential Issue	Cash	843.52

(b) The price per share of our Company based on the secondary transaction of equity shares

There have been no secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary issuance as per paragraph (a) above	105.00	[●] times	[●] times
Weighted average cost of acquisition for secondary transaction as per paragraph (b) above	Nil	Nil	Nil

The Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled “**Risk Factors**” beginning on page 32 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 224 of this Draft Red Herring Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors
Subam Paper Limited

S. F.No.143-146, Vaduganpati Vilege,
Tirunelveli- 627010, Tamil Nadu, India.

Dear Sir,

Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to Subam Paper Limited (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2024 (*proposed*) (i.e. applicable to F.Y. 2024-25 relevant to A.Y. 2025-26) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/would be met.
- the revenue authorities/courts will concur with the views expressed therein

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

The information provided below sets out the Possible Special Direct Tax & Indirect Tax benefits available to the Company, and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the Shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own Tax Consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

**For CNGSN & Associates LLP,
Chartered Accountants,
Firm Registration No.: 04915S**

Sd/-
**E. K. Shrivatsan
Partner
Membership No.: 225064
UDIN: 24225064BKCSWW7117**

Date: July 01, 2024
Place: Chennai

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SUBAM PAPER LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders as per the Income tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2024-25 relevant to assessment year 2025-26 (AY 2025-26) and Indirect Tax Laws as amended from time to time and applicable for financial year 2024-25. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

I. Under the IT Act

1. Special Tax Benefits to the Company

There are no Special Tax Benefits available to the Company.

2. Special Tax Benefits available to Shareholders

There are no Special Tax Benefits available to the Shareholders of the Company.

NOTES:

- 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 potential tax consequences of the purchase, ownership and disposal of shares.
- The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- The above statement of Possible Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- As the Company has opted for concessional corporate income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions:

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 or subsection (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, 80LA and 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 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 above;

- This statement is intended only 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 tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

II. Under the Indirect Tax Laws

3. Special Indirect Tax Benefits available to the Company

- Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated, that is, these transactions attract a GST rate of zero per cent.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

- The Company has opted to export the goods without payment of Integrated GST under a Letter of Undertaking for the Financial Year 2024-25 and is entitled to claim refund of accumulated ITC on such exports in terms of GST law.
- The Company will be claiming rebate of taxes/duties on inputs under Remission of Duties and Taxes on Exported Products (RoDTEP) scheme at the applicable rates.
- Benefits of Duty Drawback scheme under Section 74 and 75 of the Customs Act, 1962

Section 74 of the Act grants duty drawback up to 98% of the import duty paid on goods, if the goods are re-exported by the importer. The importer is entitled to drawback subject to the fulfilment of the certain conditions. Presently the rate of Duty Drawback ranges from 0% to 95%

As per section 75, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods. Unlike drawback of a portion of the customs duty paid on imported goods, here the main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the amount of drawback payable on such goods.

- The Company is claiming duty drawback of duty paid on import of materials used in manufacture of exported goods under Section 75 of the Customs Act 1962.
- The Company is a merchant exporter whereby Section 54(3) of the Central Goods and Services Tax (CGST) Act allows merchant exporters to claim a refund on the unused ITC if the exported goods fall in the category of zero-rated goods. It also applies to the goods that are taxed through an inverted tax structure.

A merchant exporter refers to a person who exports products manufactured by another business or entity. Merchant Exporters can procure from Domestic Suppliers at Concessional Rate of GST @ 0.10% subjective condition that they export the goods so procured within 90 days from the date of issue of Tax Invoice.

4. Special Tax Benefits available to Shareholders

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications)

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws.

NOTES:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2024-25 relevant to A.Y. 2025-26.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE ACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

**For CNGSN & Associates LLP,
Chartered Accountants,
Firm Registration No.: 04915S**

Sd/-
**E. K. Shrivatsan
Partner
Membership No.: 225064
UDIN: 24225064BKCSWW7117**

Date: July 01, 2024
Place: Chennai

SECTION VIII: ABOUT THE ISSUER COMPANY

OUR INDUSTRY

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

GLOBAL ECONOMY AT LARGE

Steady But Slow: Resilience Amid Divergence

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability. Chapter 2 explains that changes in mortgage and housing markets over the prepandemic decade of low interest rates moderated the near-term impact of policy rate hikes. Chapter 3 focuses on medium-term prospects and shows that the lower predicted growth in output per person stems, notably, from persistent structural frictions preventing capital and labor from moving to productive firms. Chapter 4 further indicates how dimmer prospects for growth in China and other large emerging market economies will weigh on trading partners.

Global Prospects and Policies : Disinflation amid Economic Resilience

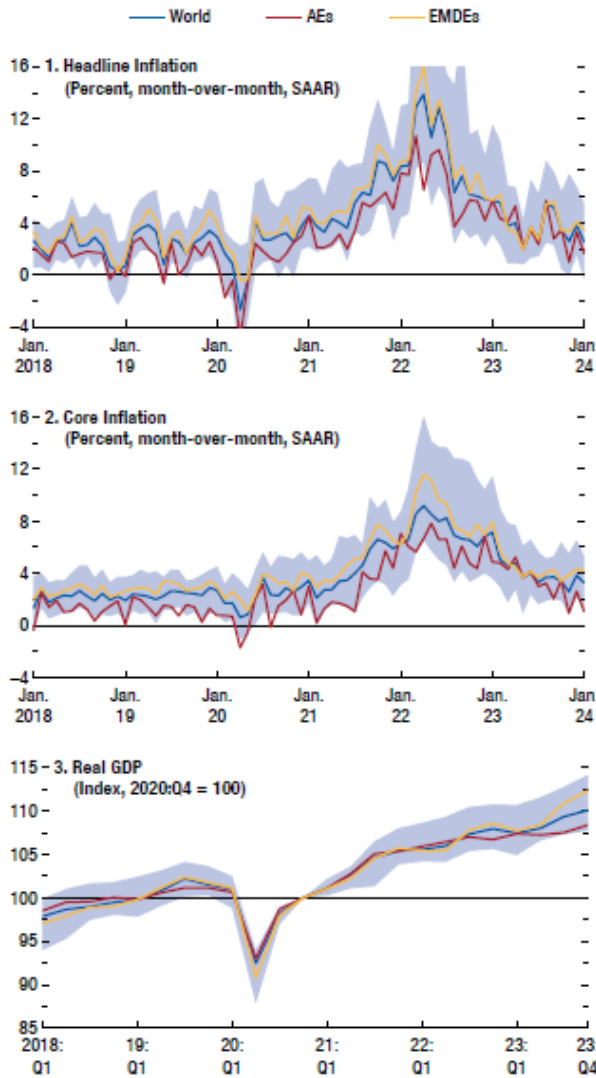
Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favourable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia’s invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

In late 2023, headline inflation neared its pre-pandemic level in most economies for the first time since the start of the global inflation surge (Figure 1.1). In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO) (Figure 1.2). The United States and several large emerging market and middle-income economies displayed the greatest overperformance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labor markets. Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings. Larger-than-expected government spending further supported the expansion of aggregate demand in most regions. The overall budgetary stance—measured by the structural fiscal balance—was more expansionary than expected, on average. Among large economies, the additional budgetary support, compared with October 2022 WEO forecasts, was estimated at 2 percent of GDP in the United States and 0.2 percent of GDP in the euro area, whereas in China,¹ the fiscal stance

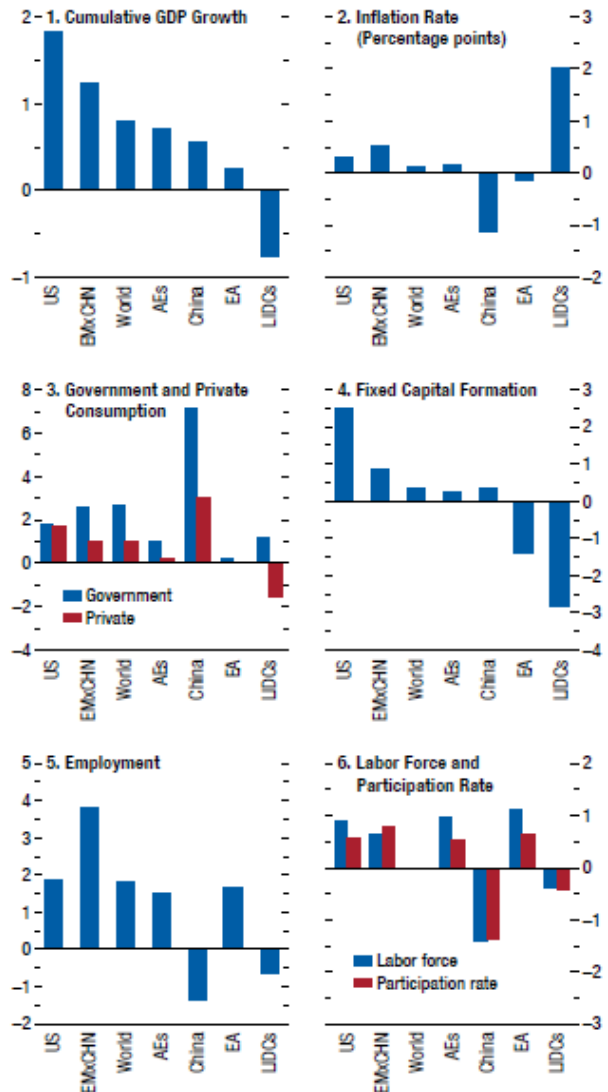
was mildly tighter than expected, by 0.7 percent of GDP. The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices. In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation. The resilience in global economic activity was compatible with falling inflation thanks to a post pandemic expansion on the supply side. A greater-than-expected rise in the labor force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies. The labor force expansion reflected, in some economies, increased inflows of migrants, with faster growth in the foreign-born than in the domestic-born labor force since 2021 (Figure 1.3), as well as higher labor force participation rates. Exceptions to this pattern include China, where labor market weakness, in the context of subdued demand, was broad based across sectors, and lower-income countries, where supply-side challenges held job creation back. Greater-than-expected additions to the stock of physical capital, with business investment responding to the strength in product demand, further bolstered the supply side in most regions, with exceptions including the euro area, where interest-rate-sensitive business investment, particularly in manufacturing, was subdued. A resolution of pandemic-era supply-chain problems allowed delivery times to decline and transportation costs to decrease (Figure 1.4).

Figure 1.1. Global Inflation Falling as Output Grows



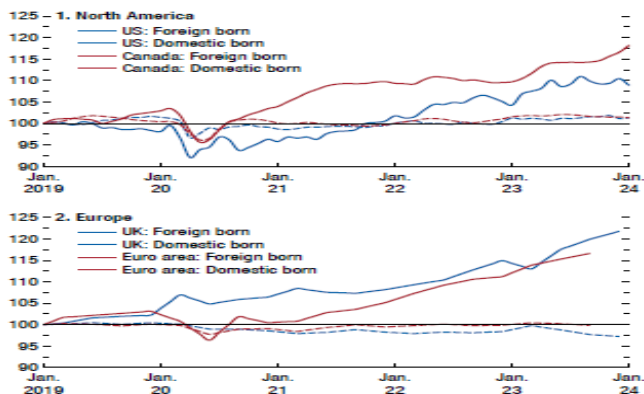
Sources: Haver Analytics; and IMF staff calculations.
 Note: Panels 1 and 2 plot the median of a sample of 57 economies that accounts for 78 percent of *World Economic Outlook* world GDP (in weighted purchasing-power-parity terms) in 2023. Vertical axes are cut off at -4 percent and 16 percent. Panel 3 plots the median of a sample of 44 economies. The bands depict the 25th to 75th percentiles of data across economies. "Core inflation" is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs = advanced economies; EMDEs = emerging market and developing economies; SAAR = seasonally adjusted annual rate.

Figure 1.2. Performance in 2022-23 Compared with Projections at Time of Cost-of-Living Crisis
 (Percent deviation from October 2022 WEO projection, unless noted otherwise)



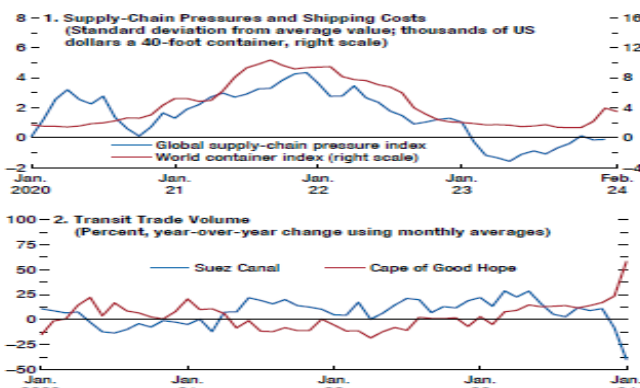
Source: IMF staff calculations.
 Note: Figure reports latest estimates for cumulative growth in 2022 and 2023 in deviation from October 2022 WEO forecast in all panels except panel 2, which reports the difference between average inflation in 2022 and 2023 and the corresponding October 2022 WEO forecasts. Panel 6 does not include India due to missing data. AEs = advanced economies; EA = euro area; EMxCHN = emerging market and middle-income economies excluding China; LIDCs = low-income developing countries; WEO = *World Economic Outlook*.

Figure 1.3. Domestic- and Foreign-Born Workers in the Labor Force
(Index, January 2019 = 100)



Sources: Eurostat; Haver Analytics; US Bureau of Labor Statistics; and IMF staff calculations.

Figure 1.4. Supply-Chain Pressures and Red Sea Tensions



Sources: Federal Reserve Bank of New York; Haver Analytics; IMF, PortWatch; and IMF staff calculations.

Growth Forecast for Emerging Market and Developing Economies

In *emerging market and developing economies*, growth is expected to be stable at 4.2 percent in 2024 and 2025, with a moderation in emerging and developing Asia offset mainly by rising growth for economies in the Middle East and Central Asia and for sub-Saharan Africa. *Low-income developing countries* are expected to experience gradually increasing growth, from 4.0 percent in 2023 to 4.7 percent in 2024 and 5.2 percent in 2025, as some constraints on near-term growth ease.

- Growth in *emerging and developing Asia* is expected to fall from an estimated 5.6 percent in 2023 to 5.2 percent in 2024 and 4.9 percent in 2025, a slight upward revision compared with the January 2024 WEO *Update*. Growth in *China* is projected to slow from 5.2 percent in 2023 to 4.6 percent in 2024 and 4.1 percent in 2025 as the positive effects of one-off factors—including the post pandemic boost to consumption and fiscal stimulus—ease and weakness in the property sector persists. Growth in *India* is projected to remain strong at 6.8 percent in 2024 and 6.5 percent in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.
- Growth in *emerging and developing Europe* is projected at 3.2 percent in 2023 and 3.1 percent in 2024, with an easing to 2.8 percent in 2025, an upward revision of 0.5 percentage point for 2023 and 0.3 percentage point for 2024 and 2025 since January. The moderation reflects a prospective decline of growth in *Russia* from 3.2 percent in 2024 to 1.8 percent in 2025 as the effects of high investment and robust private consumption, supported by wage growth in a tight labor market, fade. In *Türkiye*, growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with economic activity strengthening in the second half of 2024 as monetary tightening ends and consumption starts to recover.
- In *Latin America and the Caribbean*, growth is projected to decline from an estimated 2.3 percent in 2023 to 2.0 percent in 2024 before rising again to 2.5 percent in 2025, an upward revision of 0.1 percentage point for 2024 since January. In *Brazil*, growth is expected to moderate to 2.2 percent in 2024 on the back of fiscal consolidation, lagged effects of still-tight monetary policy, and a smaller contribution from agriculture. In *Mexico*, growth is projected at 2.4 percent in 2024, supported by a fiscal expansion, before declining to 1.4 percent in 2025 as the government is expected to tighten the fiscal stance. The forecast for Mexico is revised downward on account of weaker-than-expected outcomes for end-2023 and early 2024, with a contraction in manufacturing.
- Growth in the *Middle East and Central Asia* is projected to rise from an estimated 2.0 percent in 2023 to 2.8 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.1 percentage point for 2024 from the January 2024 projections. The revision reflects a downward adjustment in the 2024 growth forecast for *Iran* driven by lower non-oil activity and oil revenues, as well as for a number of smaller economies.
- In *sub-Saharan Africa*, growth is projected to rise from an estimated 3.4 percent in 2023 to 3.8 percent in 2024 and 4.0 percent in 2025, as the negative effects of earlier weather shocks subside and supply issues gradually improve. The forecast is unchanged for 2024 from the January 2024 WEO *Update*, as a downward revision to *Angola* owing to a contraction in the oil sector is broadly offset by an upward revision to *Nigeria*.

World Trade Outlook: Stable, in Line with Output

World trade growth is projected at 3.0 percent in 2024 and 3.3 percent in 2025, with revisions of a 0.3 percentage point decrease for 2024 and 2025 compared with January 2024 projections. Trade growth is expected to remain below its historical (2000–19) annual average growth rate of 4.9 percent over the medium term, at 3.2 percent in 2029. This projection implies, in the context of the relatively low outlook for economic growth, a ratio of total world trade to GDP (in current dollars) that averages 57 percent over the next five years, broadly in line with the evolution in trade since the global financial crisis (Figure 1.17). Even as world trade-to-GDP ratios remain relatively stable, significant shifts in trade patterns are taking place, with increasing fractures along geopolitical lines, especially since the start of the war in Ukraine in February 2022. IMF staff analysis indicates that growth in trade flows between geopolitical blocs has declined significantly since then compared with growth of trade within blocs (Box 1.1). This reallocation of trade flows is occurring in the context of rising cross-border trade restrictions, with about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data, and increased concerns about supply-chain resilience and national security.

Downside Risks - Despite the surprisingly resilient global economic performance since October 2023, several adverse risks to global growth remain plausible:

- New commodity price spikes amid regional conflicts;
- Persistent inflation and financial stress;
- China’s recovery faltering;
- Disruptive fiscal adjustment and debt distress;
- Distrust of government eroding reform momentum;
- Geoeconomic fragmentation intensifying

Upside Risks - More favorable outcomes for the global economy than expected could arise from several sources:

- Short-term fiscal boost in the context of election
- Further supply-side surprises, allowing for faster monetary policy easing
- Spurs to productivity from artificial intelligence
- Structural reform momentum gathering

Policies: From Fighting Inflation to Restocking Fiscal Arsenals

As the global economy approaches a soft landing, the near-term priority for central banks is to ensure that inflation comes down smoothly; they should neither ease policies prematurely nor delay too long and risk causing target undershoots. At the same time, as central banks take a less restrictive stance, a renewed focus on implementing medium-term fiscal consolidation is in order to rebuild room for budgetary maneuver and priority investments and to ensure debt sustainability. Intensifying supply-enhancing reforms would facilitate both inflation and debt reduction, allow economies to increase growth toward the higher pre-pandemic era average, and accelerate convergence toward higher income levels. Multilateral cooperation is needed to limit the costs and risks of geoeconomic fragmentation and climate change, to accelerate the transition to green energy, and to encourage debt restructuring.

Rebuilding Room for Budgetary Maneuver and Ensuring Debt Sustainability

A renewed focus on fiscal consolidation to rebuild budgetary room to deal with future shocks and curb the rise of public debt is appropriate, since major central banks are expected to ease monetary policy this year and economies are in a better position to absorb the economic effects of fiscal tightening. The size of the fiscal adjustment needed to ensure government debt sustainability is large in numerous cases.

With elections in a number of countries in 2024, ensuring that any new tax cuts or spending increases are funded and do not expand budget deficits is necessary to preserve the envisaged fiscal adjustment path.

Calibrating the pace of adjustment: Fiscal adjustment should be gradual and sustained, where possible, given its generally negative effects on economic activity in the near term. Avoiding an abrupt adjustment is warranted to avert the risk that

sharp expenditure cutbacks or tax increases will set off a negative cycle of slowing activity and rising debt ratios and undercut political support for fiscal reforms, which can often take time to implement.

Building credibility with well-specified plans and a strong institutional framework: To reduce policy uncertainty, committing to measures sufficient to meet medium-term targets based on realistic assumptions about the short-term growth effects of fiscal consolidation, interest rates, and the budgetary yield of revenue and spending policy changes is essential.

Addressing debt distress: For countries in debt distress, debt restructuring, conducted in an orderly manner, may be necessary. Progress in improving international sovereign debt resolution frameworks is moving in the right direction. The G20 Common Framework has started to deliver, with each successive case building on previous experiences to achieve faster coordination.

Strengthening Cross-Border Cooperation

Multilateral cooperation is necessary to mitigate fragmentation and strengthen the resilience of the international monetary system. Policymakers should maintain stable and transparent trade policies and avoid discriminatory policies that induce trade and investment distortions. An intergovernmental dialogue on—or a consultation framework for— industrial policies could help improve data and information sharing and identify the impact of policies, including their unintended consequences across borders. Over time, steady lines of communication could help in developing international rules and norms on the appropriate use and design of industrial policies, making it easier for firms to adjust to the new environment. Cooperation is also required for the orderly resolution of debt problems to clear a path through an increasingly complex creditor landscape. Furthermore, international coordination is vital to mitigate the effects of climate change and facilitate the transition to green energy, building on recent agreements at the 2023 Conference of the Parties to the UN Framework Convention on Climate Change. Safeguarding the transportation of critical minerals, restoring the WTO’s ability to settle trade disputes, and ensuring the responsible use of potentially disruptive new technologies such as artificial intelligence by, among other things, upgrading domestic regulatory frameworks and harmonizing global principles are priorities. Establishing the free flow of low-carbon technologies—which facilitate emissions reductions—from advanced economies to emerging market and developing economies would further support meeting climate targets.

(Source : <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)

INDIAN INDUSTRY OVERVIEW

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

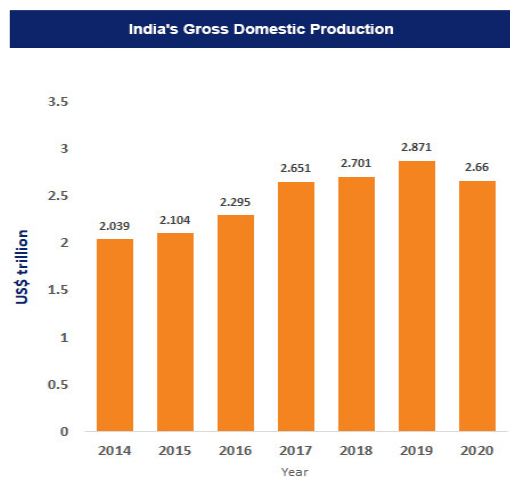


Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

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

MARKET SIZE



Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

RECENT DEVELOPMENTS

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

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.

- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

GOVERNMENT INITIATIVES

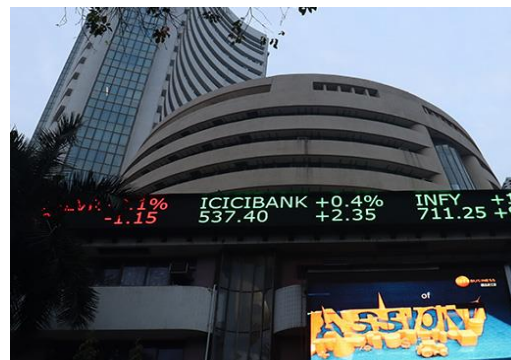
Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the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

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17th, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.

- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

ROAD AHEAD

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



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

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

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

PAPER & PACKAGING INDUSTRY REPORT

Packaging currently stands as the fifth largest sector in the Indian economy, reflecting its pivotal role in driving industrial growth and innovation. With an annual growth rate of 22-25%, the industry has become a preferred hub for packaging solutions, bolstered by advancements in technology and infrastructure. Notably, the industry boasts a robust structural framework, comprising over 900 paper units with an installed capacity of nearly 4,990 thousand tons. Furthermore, India is home to 861 paper mills, with 526 operational units, showcasing the nation's significant capacity for paper and paperboard production.



FOREIGN DIRECT INVESTMENT (FDI) AND INNOVATIONS

The government's progressive policies, including permitting 100% FDI through the automatic route, have stimulated foreign investments in the packaging sector. FDI inflows in the Paper and Pulp industry totalled US\$ 1.7 billion from April 2000 to December 2023, highlighting investor confidence in India's packaging landscape. Innovative ventures, such as SIG's establishment of the first aseptic carton packs in Ahmedabad, underscore the industry's commitment to technological advancements and sustainability. With plans to invest Rs. 880 crores (US\$ 106.02 million) between 2023 and 2025, SIG exemplifies the industry's drive towards pioneering solutions.

SUSTAINABILITY INITIATIVES AND MARKET TRENDS

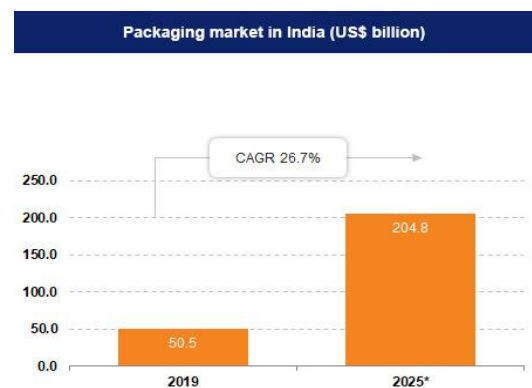
In response to global sustainability imperatives, the packaging industry in India is undergoing a paradigm shift towards eco-friendly practices and materials. Government initiatives aimed at minimizing plastic packaging and promoting sustainable manufacturing methods are driving industry-wide transformation. Additionally, the industry's focus on food safety and quality aligns with the burgeoning food processing sector, amplifying demand for innovative packaging solutions.

MARKET DYNAMICS AND FUTURE PROJECTIONS

The expansion of the middle class, enhancements in supply chain infrastructure, and the rise of e-commerce platforms are primary factors driving the packaging industry's growth trajectory. Furthermore, the increasing market size of packed food products, projected to reach US\$ 3.4 billion by 2027, underscores the industry's pivotal role in supporting diverse sectors. As the industry continues to evolve, leveraging technological innovations and sustainable practices, it is poised to contribute significantly to India's economic landscape. Investments/ Developments

RECENT DEVELOPMENTS

- February 2023: Cosmetics and hair care brand Revlon developed a new package for its 'Top Speed' hair colour range exclusively for the Indian market. The brand unveiled a new visual identity for products across India in the coming years.
- September 2022 - WestRock Company, a sustainable paper and packaging solutions provider, acquired an HP Page Wide T1190 Press to complement and expand its portfolio of corrugated printing capabilities. The HP Page Wide T1190 Press is expected to enable WestRock to disrupt the corrugated packaging supply chain and offer superior value to its customers.
- May 2022: Huhtamaki set up its first recycling plant in Maharashtra, India, as part of its close the loop initiative. The site is spread across 2,000 square meters and has recyclers around 1,600 kg of post-consumer-used flexible plastic waste daily since it became fully operational. The recycling plant was set up with an investment of US\$ 1.18 million as part of the Huhtamaki Foundation's close the loop initiative to tackle post-consumer waste and deliver a valuable secondary resource material. It was expected to process post-consumer waste to create resin to produce refined compounds for use in household products for consumers in India.



- SIG, a Swiss based packaging company, laid the foundation of first aseptic carton packs in Ahmedabad in 2023 and plan to invest a sum of Rs. 880 crores (US\$ 106.02 million) over the period of 2023-2025.
- In 2023, JK Paper acquired Manipl Utility Packaging Solutions for Rs 90 crore (US\$ 10.87 million).
- TCPL won six awards at the “IFCA Awards 2023” organised by The Indian Flexible Packaging & Folding Carton Manufacturers Association (IFCA)
- TCPL Packaging Ltd has been recognized as the “Print Week Printing Company of the Year 2023” at the prestigious Print Week Awards 2023.
- In September 2023, the company installed a state-of-the-art new Koenig & Bauer Printing press at its manufacturing unit at Haridwar.
- In 2022, UFlex Chemicals acquires India patent for Solvent Free Pigmented Adhesive and a process for its preparation
- UFlex Partners with CREDUCE to Achieve Carbon Neutrality reduce almost 175,000 tonnes of carbon emission equivalent by end of 2024
- UFlex Chemicals introduce zero liquid discharge technology at its Noida facility for water & environmental protection
- In 2022, TCPL recently won an award at IFCA Star Awards 2022, organised by The Indian Flexible Packaging & Folding Carton Manufacturers Association (IFCA) in September 2022 under Best Branding category for Baba 120 Paan Masala pack.
- UFlex teams up with Hoffer Plastics and Mespack to launch 100% Recyclable Mono-polymer Hot-fill Pouches
- UFlex Joins Alliance to end plastic waste to strengthen its global mission of building a Circular Plastic Economy
- Uflex’s Waterless Internet Flower Packaging Wins Top Honors at Sustainability Awards 2018
- Uflex becomes Indian Banks’ Association (IBA) certified Security Printer
- Uflex manufactures first Glitter Printing Rotogravure Cylinder in India

GOVERNMENT INITIATIVES

The government has launched the National Packaging initiative which focuses on the following measures to promote the sector:

- Set up guidelines and certain requirements for design and material of packaging used
- Promote the process of moving in bulk quantities
- Focus on promotion of centralized industrial activity by encouraging application of necessary and sophisticated infrastructure such as specialized logistic parks with appropriate facilities as well as packaging labs to work on designs and carry out tests
- Encourage processes to reduce packaging waste by establishing material recovery facilities (MRFs)
- Support domestic business to manufacture sophisticated packaging materials
- Develop training facilities and certified programs of the highest order to maintain availability of skilled labour

ROAD AHEAD

The outlook for the paper and packaging industry in India is optimistic, driven by several factors including the country's growing population, increasing urbanization, and rising disposable incomes. The rapid expansion of e-commerce is fuelling demand for packaging materials, while a growing focus on sustainability is prompting the industry to innovate greener solutions. Government initiatives like "Make in India" and infrastructure development projects are expected to boost manufacturing activities and streamline supply chains.

Technological advancements are enhancing productivity and quality, while rising export potential offers opportunities for market expansion. Despite challenges such as fluctuating raw material prices and competition from alternative materials, strategic investments and a commitment to sustainability can help the industry capitalize on opportunities and strengthen its position in the global market.



Note: Conversion rate used in March 2024, Rs. 1 = US\$ 0.012

References: Media Reports, Press Releases, Deloitte report, Department of Industrial Policy and Promotion website, India Paper Manufacturer Association (IPMA), Packaging Industry Association of India (PIAI), Indian Flexible Packaging & Folding Carton Manufacturers Association (IFCA), All India Plastic Manufacturers Association (AIPMA)

(Source: [India's Thriving Paper & Packaging Industry: Growth & Innovation/IBEF](#))

INDIA'S PAPER AND PACKAGING INDUSTRY

Packaging is an essential component of almost every product. A product's packaging acts as an 'eye catcher', allowing it to stand out from competing goods in today's market environment, which faces stiff competition, and therefore, an edge is required for the product to outshine its rival.

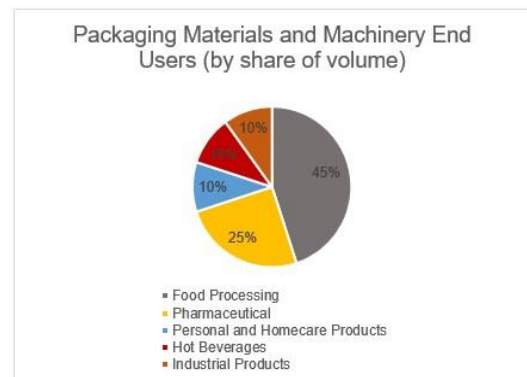
Packaging is also instrumental in conveying the product's message to consumers and helps in establishing the visual appeal of a brand; hence, marketers view product packaging as the best possible opportunity to attract consumers to their product. Moreover, the product's packaging is designed to capitalise on the impulse shopping behaviour, especially in large super market chains that account for a significant proportion of purchases made by an average consumer. The main functions of packaging besides marketing is to transmit information, protect the product, provide convenience and add security. Paper and paper products are a major source of materials used to package goods. Paper finds application in packaging due to the many environmental concerns arising from plastic usage. The capacity to recycle paper more than once, along with how simple it is to deal with it as a waste product, serves as an essential method of reducing pollution and costs to an extent.



Types of Packaging

The packaging industry can be categorised into two segments: flexible and rigid.

➤ The rigid sector accounts for 36% of India's total packaging. Corrugated and paperboard boxes are an example of a rigid packaging category that are made using paper as a raw material. These boxes are considered to be one of the safest and most effective methods for packaging and transporting goods. The cellular structure of corrugated boxes, in addition to being lightweight, has great compressive strength, toughness and impact resistance. The procedure of lining, laminating or coating the boxes can assist them to withstand moisture and other harmful elements, protecting the quality and longevity of the product. The packaging of both industrial and consumer items requires corrugated board boxes. They are used **Source: MISSP and T&A Consulting** for packaging a variety of commodities including textiles, fruits, vegetables, potteries, chemicals and pharmaceuticals.



➤ The flexible sector comprises 64% of the total packaging. The application of paper in flexible packaging is in the form of bags, sachets, envelopes and so on. The flexible pouch market, which enables small-quantity packaging, has gained momentum due to demand for small packs. Compared to other types of packaging, flexible paper packaging is less expensive, requires less material and is lighter in weight. Flexible paper packaging has become more popular as a result of its high efficiency and low cost. Flexible packaging is a crucial component of versatile packaging, which includes packaging for food and drink, personal care, home care and healthcare, among others.

India Packaging Industry Overview

The paper and packaging sector in India is growing rapidly and has significant potential for future expansion. The industry was valued at \$50.5 billion in 2019 and is anticipated to reach \$204.81 billion by 2025, registering a CAGR of 26.7%

from 2020 to 2025. The growth in the sector is being driven by a surge in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing industry and healthcare sector. Additionally, numerous government initiatives including 'Make in India' had positive impact on the packaging industry. The paper and packaging industry is currently the fifth largest sector in the Indian economy and has the potential to achieve pricing levels that are about 40% cheaper compared to European regions.

The Indian packaging sector has distinguished itself with its exports of flattened cans, printed sheets and components, crown cork, lug caps, plastic film laminates, craft paper, paper board and packaging machinery. The packaging segment with the fastest growth include laminates and flexible packaging, particularly PET and weaved sacks.

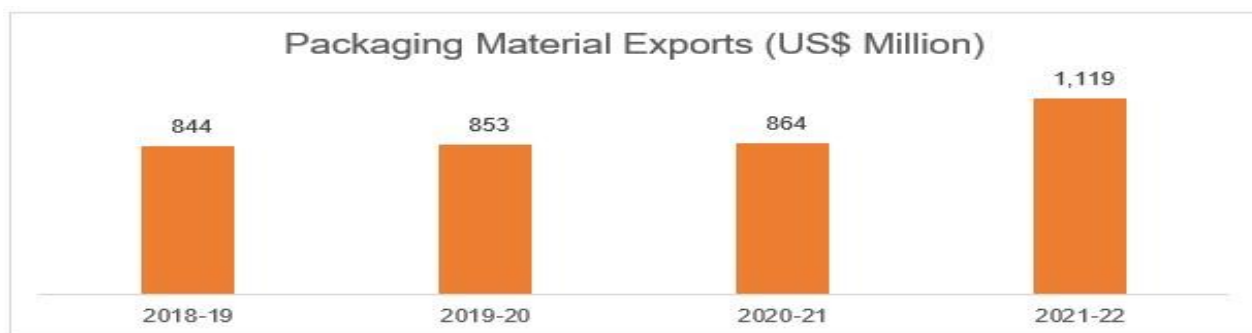
India uses paper as a major source of packaging. The paper industry accounts for 5% of global production. Demand for paper continues to rise for the packaging of FMCG products and ready-to-eat food. Packaging-grade paper accounts for 55% of the main types of paper produced domestically in the paper and paperboard industry.

Pillars of Growth:



Growing Exports of Packaging Material

India is emerging as a key exporter of packaging materials in the global market. The export of packaging materials from India grew at a CAGR of 9.9% to US\$ 1,119 million in 2021-22 from US\$ 844 million in 2018-19. US remains the major export destination for the packaging industry, followed by the UK, the UAE, Netherlands, and Germany.



Source: Directorate General of Commercial Intelligence and Statistics

Sectors of Application:

The packaging has applications in multiple sectors, two of which key sectors are:

- **Pharmaceutical:** India boasts of one of the world’s largest pharmaceutical markets and therefore produces a huge quantity of plastic pharmaceutical packaging to cater to the needs of the fast growing sector. In the pharmaceutical industry, blister packs are one of the most popular types of packaging. Blister packs are used for tablets, ampoules, syringes and vials, and also used for individual packaging for medication doses while maintaining the integrity of

other doses. Primary, secondary and tertiary packaging are the three tiers of packaging typically used in the pharmaceutical sector, and the type of application depends on the drug. The material that initially covers and holds the product is referred to as the primary packaging system. This includes all the package elements and sub-elements that come into contact with the product or that may have an impact on its duration of life, such as ampoules and vials, prefilled syringes, IV containers and blister packs. Key players in the pharmaceutical packaging include West Pharmaceuticals, Huhtamaki PPL Ltd and SGD Pharma India Ltd.

- **Food and Beverage Packaging:** India has seen a rise in the paper and packaging of food and beverage with an increase in demand, along with new companies in the food and beverage space. The entry and meteoric rise of food delivery service companies such as Zomato and Swiggy have led to growth in the consumption of packaging used for food and beverage. Zomato had even introduced tamper-proof packaging to keep the food safe and fresh. Food packaging has seen significant innovations that focus on highlighting the brand while maintaining the quality and standard of the food product contained within. There is intense competition among local manufacturers to produce cutting-edge products and stand up to MNCs that have a dedicated R&D department to test and eventually deploy the latest technologies. The major players in this space are Evirocor, Tetra Pak and Vinayak Ultra Flex.

Government Initiative

The government has launched the National Packaging initiative which focuses on the following measures to promote the sector:

- Set up guidelines and certain requirements for design and material of packaging used
- Promote the process of moving in bulk quantities
- Focus on promotion of centralised industrial activity by encouraging application of necessary and sophisticated infrastructure such as specialised logistic parks with appropriate facilities as well as packaging labs to work on designs and carry out tests
- Encourage processes to reduce packaging waste by establishing material recovery facilities (MRFs)
- Support domestic business to manufacture sophisticated packaging materials
- Develop training facilities and certified programmes of the highest order to maintain availability of skilled labour

Road Ahead

The Indian packaging sector is diverse and caters to a broad sector of industries and products. The government, through its positive promotion of the Make in India policy, has set the packaging sector to grow rapidly due to companies setting up their manufacturing units in the country and using these domestic facilities as a base to export to other countries. The government has implemented a strategy to lower tax rates for new manufacturing companies in order to turn India into a global manufacturing hub. Furthermore, given the need for domestic firms to compete with MNCs, the government is planning to further level the sector among players by launching various initiatives with the aim of promoting the development of packaging, along with technological advancements.

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

INDIAN MANUFACTURING INDUSTRY

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub. With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

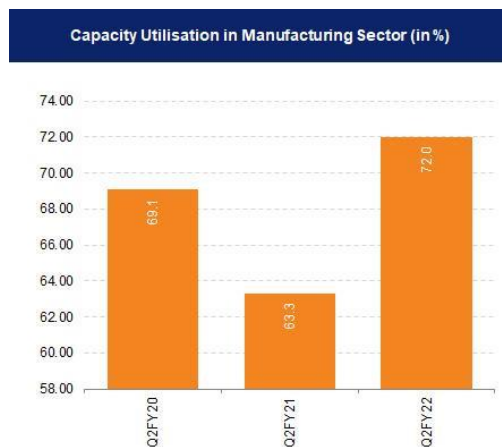
India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

India is planning to offer incentives of up to Rs. 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

India's mobile phone manufacturing industry anticipates creating 150,000 to 250,000 direct and indirect jobs within the next 12-16 months, driven by government incentives, and increased global demand. Major players like Apple and its contract manufacturers, along with Dixon Technologies, are expanding their workforce to meet growing production needs.



MARKET SIZE



Manufacturing exports have registered their highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24.

India's GDP surged by 8.4% in the October-December quarter, surpassing expectations. GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

INVESTMENT

Some of the major investments and developments in this sector in the recent past are:

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2000-December 2023:
 - The automobile sector received FDI inflows of US\$ 35.65 billion.
 - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 22.07 billion.
 - The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 22.37 billion.
 - The Food Processing Industries received FDI inflows worth US\$ 12.46 billion.
- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- In February 2024, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.9.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- For the month of January 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 153.0. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 144.1, 150.1 and 197.1, respectively.
- The Index of Industrial Production (IIP) from April-January 2024 stood at 143.4.
- The combined index of eight core industries stood at 150.3 for April-November 2023 against 139.4 for April-November 2022.
- The cumulative index of eight core industries increased by 8.6% during April-October 2023-24 over the corresponding period of the previous year.
- India's manufacturing sector, driven by pharmaceuticals, motor vehicles, and cement, demonstrated resilience despite weak global demand in July-August 2023. PMI remained robust, reflecting domestic economic strength. Capacity

utilization in manufacturing trended upwards, signalling positive investment prospects. RBI MPC maintained policy repo rate to control inflation.

- At the aggregate level, the capacity utilization (CU) in the manufacturing sector increased to 74.0% in Q2:2023-24 from 73.6% in the previous quarter.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US\$ 295.21 billion.
- India's overall exports during the April-February period of 2023-24 are estimated to be US\$ 709.81 billion, reflecting a marginal positive growth of 0.83% over the April-February period of 2022-23. In February 2024 alone, exports stood at US\$ 73.55 billion, showing a growth of 14.20% compared to the same month in the previous year.
- The Employees' Provident Fund Organization (EPFO) added 8.41 lakh people in December 2023.
- The latest payroll data shows a significant increase in female workforce participation. Out of 8.41 lakh new members, around 2.09 lakh are female, the highest in three months. This marks a 7.57% increase from November 2023. Additionally, the net female member addition stood at approximately 2.90 lakh, up by about 3.54% from the previous month.
- Amazon Inc's cloud computing division, Amazon Web Services, became the latest company to invest in India. The company has planned to invest US\$ 13 billion (over Rs 1 lakh crore) in India by 2030 to build its cloud infrastructure and create thousands of jobs.
- On February 29, 2024, India approved the construction of three semiconductor plants with investments exceeding US\$ 15 billion. These plants aim to establish India as a major chip hub, with Tata Electronics, Tata Semiconductor Assembly and Test Private Limited, and CG Power spearheading the projects in Gujarat and Assam. This initiative aligns with India's goal to bolster its semiconductor ecosystem and create numerous advanced technology jobs.

GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In the Interim Union Budget 2024-2025:
 - In the interim budget 2024, the allocation for the Production Linked Incentive (PLI) Scheme for various sectors saw a substantial increase, with notable examples including a 360% rise to Rs 6,903 crore (US\$ 830 million) for the Semiconductors and Display Manufacturing Ecosystem and a 623% surge to Rs 3,500 crore (US\$ 421 million) for the Automobile sector.
 - In the interim budget 2024, there was commendable fiscal responsibility demonstrated alongside significant investments in infrastructure, including emphasis on affordable housing, clean energy, and technological advancement. Additionally, the budget allocated funds for the creation of a Rs 1-lakh crore (US\$ 12 billion) innovation fund for sunrise domains, providing a substantial boost for the startup industry. Moreover, there was a notable focus on promoting the shift to electric vehicles (EV) through the expansion of EV charging networks, thereby offering opportunities for small vendors in manufacturing and maintenance.
 - In the Interim Union Budget 2024-25, the Ministry of Defence has been allocated Rs. 621,541 crore (US\$ 74.78 billion), marking a significant increase of approximately 4.72% from the previous allocation of Rs. 593,538 crore (US\$ 71.41 billion).
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.
- In the Union Budget 2023-24:
 - Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023, to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.

- As per the Union Budget 2023 – 24, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
- The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).
- Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
- The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed biogas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
- To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
- Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 billion in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement ‘Buy {Indian-IDDMM (Indigenously Designed, Developed and Manufactured)}’ has been introduced in Defence Procurement Procedure (DPP)-2016
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.
- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government’s endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECES) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- In the Union Budget 2022-23:
 - Ministry of Defence was allocated Rs. 525,166 crore (US\$ 67.66 billion)
 - The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world’s major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs.

348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.

- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, ends transport-related challenges.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.
- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes, and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

ROAD AHEAD

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury, and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 3.4 trillion along with a population of 1.48 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring, and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

References: Central Statistics Office, FICCI, Economic Survey of India, DPIIT, Media sources, Ministry of Skill Development and Entrepreneurship, Economic Survey 2022-23, Union Budget 2023-24, Press Information Bureau, News Articles

(Source : <https://www.ibef.org/industry/manufacturing-sector-india>)



NATIONAL MANUFACTURING POLICY

In order to bring about a quantitative and qualitative change and to give necessary impetus to the manufacturing sector, the Department has notified the National Manufacturing Policy (NMP) (Link: [National Manufacturing Policy \(NMP\) \(1,603 KB\)](#)) with the objective of enhancing the share of manufacturing in GDP to 25% and creating 100 million jobs over a decade or so. The policy is based on the principle of industrial growth in partnership with the States. The Central Government will create the enabling policy frame work, provide incentives for infrastructure development on a Public Private Partnership (PPP) basis through appropriate financing instruments, and State Governments will be encouraged to adopt the instrumentalities provided in the policy. The Department has taken up the implementation of the policy in consultation with concerned Central Government agencies as well as the States.

(Source: <https://www.dpiit.gov.in/policies-rules-and-acts/policies/national-manufacturing-policy>)

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 32 of this Draft Red Herring Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors”, “Financial Statement” beginning on page 32 and 224 respectively, of this Draft Red Herring Prospectus.

Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Draft Red Herring Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Subam Papers Limited”. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

OVERVIEW OF OUR BUSINESS

We are a company engaged in the manufacturing of Kraft Paper and Paper Products. We proudly call ourselves as a packaging solution providing company. Subam started its journey in the year 2004 with manufacturing of paper cones and later expanded the product base by adding Duplex board and Kraft paper in its portfolio. Our company is not like the traditional paper manufactures, we do not manufacture our products from wood pulp but instead we use waste paper as our raw material. We aim to preserve mother nature and tend to drive our company on the principle of recycling. Our company leverages wastepaper as the primary raw material in the production of Kraft Paper and Duplex Board.

We are dedicated to sustainability, using recycled paper and cardboard in the production of Kraft Paper and Duplex Board. This not only reduces waste but also underscores our commitment to environmental responsibility. To further minimize our environmental impact, we harness renewable energy through our own wind and solar power installations. Our wind energy infrastructure includes two windmills: with a capacity of 850 KW each totalling approximately 1.7 MW. Additionally, we operate a solar plant with a capacity of 14 MW. These renewable energy sources enable our manufacturing facilities to significantly reduce their carbon footprint, aligning with our goal of sustainable and eco-friendly operations.

In the financial year ending on March 31, 2024, the installed capacity for Kraft Paper was 300 metric tons per day (MTPD), resulting in a total annual capacity of 93,600 tons. During this period, the utilization of Kraft Paper capacity was 93,081 tons. Comparatively, in the financial years ending on March 31, 2023, and March 31, 2022, the utilization was 83,691 tons and 82,371 tons, respectively.

For Duplex Board, the installed capacity was 140 MTPD, translating to an annual capacity of 47,200 tons. The utilization of Duplex Board capacity for the financial year ending on March 31, 2024, was 43,963 tons. This represents a significant increase from the previous years, with utilization figures of 30,393 tons and 3,336 tons for the financial years ending on March 31, 2023, and March 31, 2022, respectively.. Over the years, the consolidated production capacity has grown substantially and is expected to reach more than 1,000 Metric tons per day by fourth quarter of FY 2024-2025 after our current capacity expansion is completed. Our Company has the capability to manufacture and supply Kraft Papers and Duplex Boards in different shades and sizes as per the client specifications thus serving the diverse industrial packaging needs.

Three elements are extremely essential for manufacturing of kraft paper and paper products.

- Land,
- Water
- Electricity

Our company has a land bank of 400 acres. We have also received permission from Government of Tamil Nadu to withdraw 2.7 million liters of water daily and for the electricity we have internal generation and rest is taken from the Government. With such huge land bank and with all permission of utilities and large capacity, we have an edge in whole of India for kraft paper and paper products manufacturing.

The company has developed a technique to make the paper odour less paper, this particular type of paper is popular among the companies engaged in the food divisions. By understanding the regional variations in paper quality, we can select the optimal raw materials tailored to specific production requirements. Our flexible manufacturing process allows us to deliver customized packaging solutions, available in a range of shades and sizes, to meet diverse client needs.

Our company had done an expansion in the year 2012 which resulted an increase in our company growth, we are again expanding our market share by doing and capacity expansion. The expansion is through our Wholly-Owned subsidiary company named Subam Paper and Boards Private Limited (SPBPL). SPBPL was established on July 19, 2020, as on date of filing of Draft Red Herring Prospectus our company hold 99% shares in SPBPL. The company had planned the expansion in a new company to avail the favourable tax rate of 15% percent for a new manufacturing company as per The Taxation Laws (Amendment) Ordinance, 2019 passed on 20 September 2019. The current expansion plan includes Expanding PM-1 (Duplex Board) to 180TPD and PM-2, (Kraft Paper) to 360 TPD. And Expanding PM-3 (Multigrade paper) to 350 TPD. For more information, please refer to **“Object of the Issue”** on page 89. We believe this expansion would strengthen our position in the country for wastepaper manufacturing.

Our Company is located at Tirunelveli, Tamil Nadu and is also in proximity to the Harbor city of Tuticorin, Tamil Nadu. Since inception, our Company has prioritized focus towards continual improvement based on specific product quality and end user application. Our success narrative is shaped by a clear and consistent business strategy that has propelled us to our current standing. Instrumental in driving this path is our Managing Director and Promoter, Mr. T. Balakumar, a seasoned professional with over 19 years of invaluable experience in the realm of paper and paper products. In addition to his role in the company, Mr. Balakumar is also the Chairman of the Development Council for Pulp, Paper, and Allied Industries, Government of India, further showcasing his influential presence in the industry. His visionary leadership serves as the driving force behind our developmental strides, cementing our position as a dynamic and forward-thinking entity in the industry.

As an **ISO 9001:2015 and FSC Recycled** certified organization, we follow a strong Quality Management System. We ensure top-quality materials, workmanship, schedules, and public service, meeting all project standards. Our focus on quality control upholds high safety and environmental standards, consistently meeting client expectations. With our FSC Recycled certification, we show our commitment to sustainability by using 100% recycled materials. Our success is due to understanding customer needs, offering cost-effective and consistent quality products, adhering to delivery schedules, being flexible with sizes, and providing responsive customer service. We have a well-trained team dedicated to meeting special quality requirements.

Our company features an infrastructure facility, supported by a dedicated team of professionals, focused on the production of Kraft Paper and Duplex Board to meet customer demands promptly. With the capability to manufacture and supply Kraft Paper and Duplex Boards in various shades, our products offer GSM ranging from 120 to 300, Busting Factor of 16 to 35, and Deckle sizes from 2,000 MM to 4,400 MM and with reel diameters up to 1,400 MM. Furthermore, we maintain a substantial raw material storage facility to ensure ample reserves, enabling consistent production of high-quality products for the packaging industry.

Our manufacturing process for both Kraft Paper and Duplex Board starts with selecting top-grade raw materials. This paper is mixed with water to form a pulp, where chemicals are added to remove moisture and break down the fibres. We remove impurities like tapes, pins, sand, and residues using various equipment to ensure purity. The refined pulp is stored in tanks, and excess water is removed to achieve the right pulp-water ratio. In the refinement phase, the pulp is conditioned to improve fibre bonding, readying it for sheet formation. The pulp mixture, with a ratio of one part pulp to ninety-nine parts waters, is fed into the paper-making machine. Here, water is drained through a wire mesh, forming a nascent paper sheet. Press rolls then apply pressure to expel more water, leaving the paper with the correct moisture content. Steam-powered drying cylinders systematically dry the paper, and a calendar process smooths it, enhancing its printability and look. For extra smoothness and printability, a coating is applied in the duplex board. Finally, we conduct rigorous quality checks and use scanners to ensure consistency and reliability in our products.

The products we manufacture are used in various industries, including automobiles, textiles, FMCG, food, distilleries, pharmaceuticals, electrical and electronics, printing and more, where packaging is indispensable. Paper products play a pivotal role in packaging across sectors, from biscuit wrappers to marriage invitations, showcasing the versatility and significance of our offerings across diverse industries.

Our approach entails a shift from solely focusing on paper manufacturing to incorporating value-added paper products and packaging solutions like corrugated boxes, paper cones, paper tubes and paper cores manufactured by our Subsidiaries

and Group Companies. By diversifying our offerings, we aim to cater to the evolving needs of our clientele and enhance our presence among larger corporations. For instance, we have successfully started supplying to major corporations such as Britannia and United Breweries Companies, targeting direct engagement with key players rather than intermediaries like middle-level corrugators. By supplying directly to these corporate giants, we ensure reliability, cost efficiency, and larger volume transactions, positioning ourselves as preferred suppliers over smaller vendors.

Our Mission: Empowering a Sustainable Future: Crafting exceptional Eco-friendly Recycled Packaging Products with unmatched quality and timely services, with renewable energy, Enriching Lives with Unparallel Customer Satisfaction

Our Vision: “Fostering Joyful Prosperity: Empowering Stakeholders and Cultivating a Thriving Society.”

Our Customer Presence

At the core of our business values is a relentless dedication to our customers, and we take pride in being a customer-centric company. We strive to tailor our services to meet the unique requirements of our clients, both domestically and internationally, demonstrating exceptional responsiveness. In the southern region of India and the export market, our company has emerged as a focal supplier of paper and paper packaging solutions, trusted by quality-conscious customers.

Area Wise Break Up of Revenue (Finished Goods) is as follows:

(In Lakhs)

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Domestic (In Rupees)	45,844.80	48,206.31	29,802.34
Domestic (%)	93.78%	95.59%	91.20%
International (In Rupees)	3,040.10	2,224.43	2,875.03
International (%)	6.22%	4.41%	8.80%
Total	48,884.90	50,430.74	32,677.37

We have established a strong presence in domestic markets. Our footprint in India is as follows:

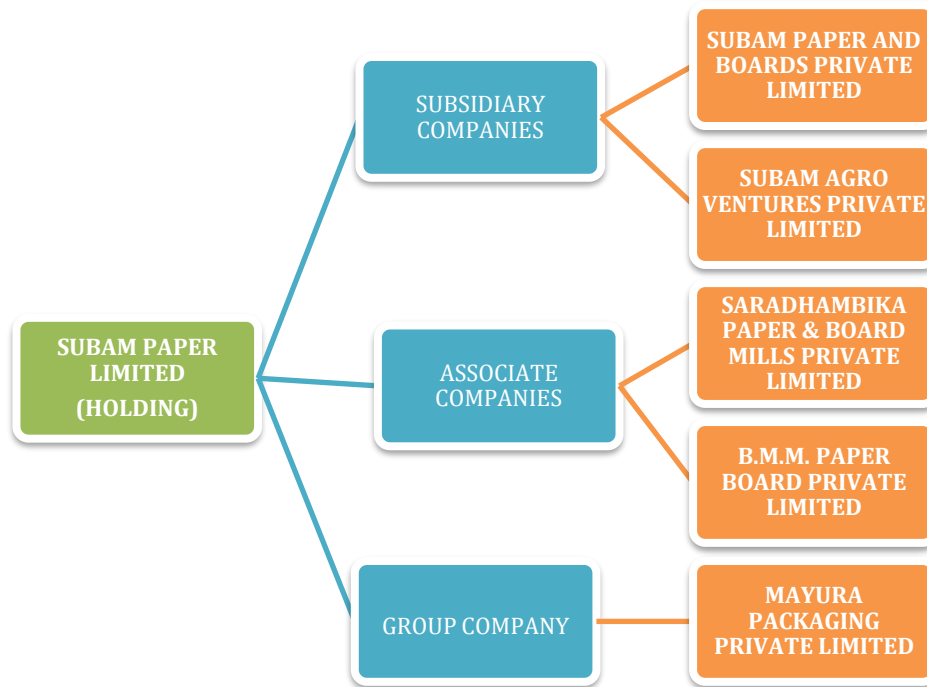
The State Wise Breakup of Our Revenue (Finished Goods) is as follows:

(In Lakhs)

States	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Andhra Pradesh	671.31	215.06	185.69
Chhattisgarh	1.25	-	-
Karnataka	1,199.00	1,234.22	758.90
Kerala	2,396.66	2,415.06	1,616.44
Maharashtra	-	-	12.06
Puducherry	786.22	820.83	882.96
Tamil Nadu	40,650.54	43,368.32	26,236.10
Telangana	139.81	152.82	110.20
Total	45,844.80	48,206.31	29,802.34

OUR GROUP ENTITIES

Subam’s Subsidiaries and Associates Companies consist of the following:



OUR JOURNEY

➤ **2004: Incorporation of the Company**

Our journey began in 2004 with the incorporation of the company, laying the foundation for a future focused on innovation and sustainability in the paper industry.

➤ **2005: Started its First Commercial Operation with PM1 30 TPD**

In 2005, we began our first commercial operation with Paper Machine 1 (PM1), producing thirty tons per day (TPD). This marked the beginning of our manufacturing capabilities and commitment to quality paper products.

➤ **2010: Installed Renewable Energy Windmill to increase the capacity to 1.7 MW**

By 2010, we expanded our commitment to sustainability by installing a renewable energy windmill, boosting our capacity to 1.7 MW. This initiative underscores our dedication to reducing carbon footprint and promoting eco-friendly practices.

➤ **2019: Award for Excellence in Traffic Performance by V.O. Chidambaranar Port Trust, Tuticorin**

In 2019, we were honoured with an award for excellence in traffic performance by V.O. Chidambaranar Port Trust, Tuticorin, recognizing us for importing the highest number of Twenty-foot Equivalent Units (TEUs) as a consignee. This award highlighted our efficiency and reliability in logistics and supply chain management.

➤ **2019: FSC Certification**

Also in 2019, we achieved FSC (Forest Stewardship Council) certification by TÜV SÜV Czech, underscoring our dedication to sustainable and responsible sourcing of raw materials. This certification reflects our commitment to environmental stewardship and sustainability.

➤ **2021: Commissioned Paper Products Division of Subsidiary Subam Paper & Boards Private Limited**

In 2021, we expanded our capabilities by commissioning the Paper Products Division of our subsidiary, Subam Paper & Boards Private Limited. This division focuses on producing high-quality paper products to meet diverse market needs.

➤ **2022: Commissioned Solar Power of 10 MW**

Continuing our commitment to renewable energy, we commissioned a 10 MW solar power plant in 2022. This investment not only supports our sustainability goals but also enhances our energy self-sufficiency.

➤ **2023: Commissioned Odour-Free Paper Production and Water Treatment Technology**

In 2023, we introduced odour-free paper production and advanced water treatment technology. These innovations improve product quality and environmental performance, ensuring cleaner production processes and superior end products.

➤ **2023: Received EN ISO 9001:2015 Certificate**

We received the EN ISO 9001:2015 certificate for the manufacturing and marketing of packaging paper in 2023. This certification validates our adherence to the highest quality management standards, reflecting our commitment to continuous improvement and customer satisfaction.

➤ **2024: Commissioned Solar Power of 4 MW**

Continuing our commitment to renewable energy, we commissioned another 4 MW solar power plant in 2024 thereby taking the total solar power capacity to 14 MW. This investment not only supports our sustainability goals but also enhances our energy self-sufficiency.

➤ **2024: Conversion from Private Limited Company to Public Limited Company**

In 2024, we converted our company from a private limited company to a public limited company. This transition marks a significant milestone in our growth journey, opening new opportunities for investment and expansion, and enhancing our corporate governance and transparency.

➤ **2024: Declaration of Bonus Shares in the proportion of 9:1**

Announced issuance of nine bonus equity shares for every one existing equity share, rewarding shareholders and increasing share capital base.

Each of these milestones reflects our commitment to growth, sustainability, and excellence in the paper manufacturing industry. Our strategic initiatives and continuous improvements have positioned us as a leader in delivering high-quality, sustainable paper products.

OUR PRODUCTS

✚ **Duplex Board:**

Duplex board is quality paperboard with a glossy coated surface on one side and a rough surface on the other. It is extensively used in the packaging industry due to its durability, strength, and excellent printability. Our Duplex Board is manufactured using recycled wastepaper, making it an eco-friendly choice for various packaging needs.

Features:

- **Material:** Made from recycled wastepaper
- **Structure:** Comprises two layers; the top layer is coated for smoothness and printability, while the bottom layer remains uncoated for added strength.
- **Finish:** Available in both greyback and white back variants
- **Thickness:** Offered in a range of thicknesses from 200 GSM to 400 GSM
- **Grade:** uncoated, lightweight coated and heavyweight coated



- **Deckle: PMI:** Up to 2650mm
- **Reel Diameter:** Up to 1400mm.
- **Sheet Size:** Upto 1200mm
- **Sizes:** Customizable according to client specifications
- **Printability:** Superior surface ideal for high-quality printing and branding

Applications:

- **Packaging:** Ideal for making cartons, boxes, and other packaging materials for various industries including pharmaceuticals, cosmetics, food, and electronics.
- **Stationery:** Used in the production of file folders, notebook covers, and other office supplies.
- **Displays:** Suitable for point-of-sale displays and promotional materials due to its excellent print quality and rigidity.

✚ Kraft Paper:

Kraft paper is a durable and versatile paper known for its high tear resistance and strength. It is made from recycled wastepaper, which aligns with our commitment to sustainability. Kraft paper is widely used in the packaging industry due to its robustness and eco-friendly nature. It is available in various shades and can be customized to suit different packaging requirements.

Features:

- **Material:** Made from 100% recycled wastepaper
- **Strength:** High tear resistance and tensile strength
- **Finish:** Natural, Golden Yellow, Brown, and other custom shades
- **GSM:** Available in a range from 120 to 300
- **Bursting Factor:** 16 to 24
- **Deckle PM2:** Up to 4400mm
- **Reel Diameter:** Up to 1400mm.

Applications:

- **Packaging:** Ideal for wrapping, bag making, and as protective layers in various packaging applications.
- **Industrial Uses:** Suitable for use in construction and agricultural industries as protective paper and for wrapping materials.
- **Crafts and Stationery:** Popular in arts and crafts, scrapbooking, and making eco-friendly stationery.
- **E-commerce:** Used for making mailer bags, void fill, and as cushioning material for shipping



Corrugated Boxes

Corrugated paper is a highly durable and versatile material, widely used for packaging and shipping. It is made up of a fluted corrugated sheet and one or two flat linerboards. Our corrugated paper is produced from recycled wastepaper, ensuring a sustainable and eco-friendly product. It provides excellent cushioning and protection, making it ideal for transporting goods safely.

This product is traded by our Company and manufactured by our Group Company.

Features:

- **Material:** Made from 100% recycled wastepaper
- **Structure:** Comprises fluted corrugated sheet between flat linerboards
- **Types:** Available in single-wall, double-wall, and triple-wall configurations
- **Thickness:** Customizable based on flute size and number of walls
- **Strength:** High burst strength and crush resistance
- **Finish:** Natural brown, white, or printed as per requirements
- **Sizes:** Customizable to meet specific packaging dimensions
- **Plys:** 3 to 7 ply
- **Flutting:** B-flute, C-flute

Applications:

- **Shipping and Packaging:** Ideal for making boxes, cartons, and protective packaging for a variety of products.
- **Storage:** Used for creating sturdy storage containers for both industrial and residential use.
- **Displays:** Suitable for point-of-sale displays and promotional stands due to its structural strength and printability.
- **E-commerce:** Commonly used for packaging goods in the e-commerce industry due to its reliability and protective qualities.



Paper Cones

Paper cones are essential components in various industries, particularly in textile manufacturing and yarn processing. Our paper cones are crafted from high-quality recycled wastepaper, making them not only durable and reliable but also eco-friendly. Designed to provide optimal support and facilitate smooth yarn winding, our paper cones are available in multiple sizes and configurations to meet specific industrial needs.

This product is manufactured by our Subsidiary Company – ‘Subam Paper and Boards Private Limited’

Features:

- **Material:** Made from 100% recycled wastepaper
- **Durability:** High strength and tear resistance to withstand heavy loads
- **Finish:** Smooth and polished surface for easy winding and unwinding of yarn
- **Sizes:** Available in a range of sizes and taper angles to suit different machinery and yarn types
- **Customization:** Customizable printing and branding options
- **Degree of cones:** 5 degree 57, 4 degree 20
- **Weight:** 38 grams to 60 grams
- **Top and Bottom color printing:** 10 colors and more than 20 designs

Applications:

- **Textile Industry:** Used for winding and storing various types of yarn and threads, including cotton, wool, polyester, and blends.
- **Industrial Uses:** Suitable for use in wire and filament winding applications.
- **Crafts and DIY Projects:** Popular in crafting, particularly in projects requiring strong, conical shapes.



Paper Tubes and Cores

Paper tubes and cores are integral components in various industries, providing strong and durable support for winding, storing, and transporting materials. Our paper tubes and cores are manufactured from high-quality recycled wastepaper, ensuring they are both robust and eco-friendly. Available in a variety of sizes and specifications, they cater to diverse industrial applications, offering reliable performance and environmental sustainability.

This product is manufactured by our Subsidiary Company – ‘Subam Paper and Boards Private Limited’

Features:

- **Material:** Made from 100% recycled wastepaper
- **Strength:** High crush resistance and durability to support heavy loads



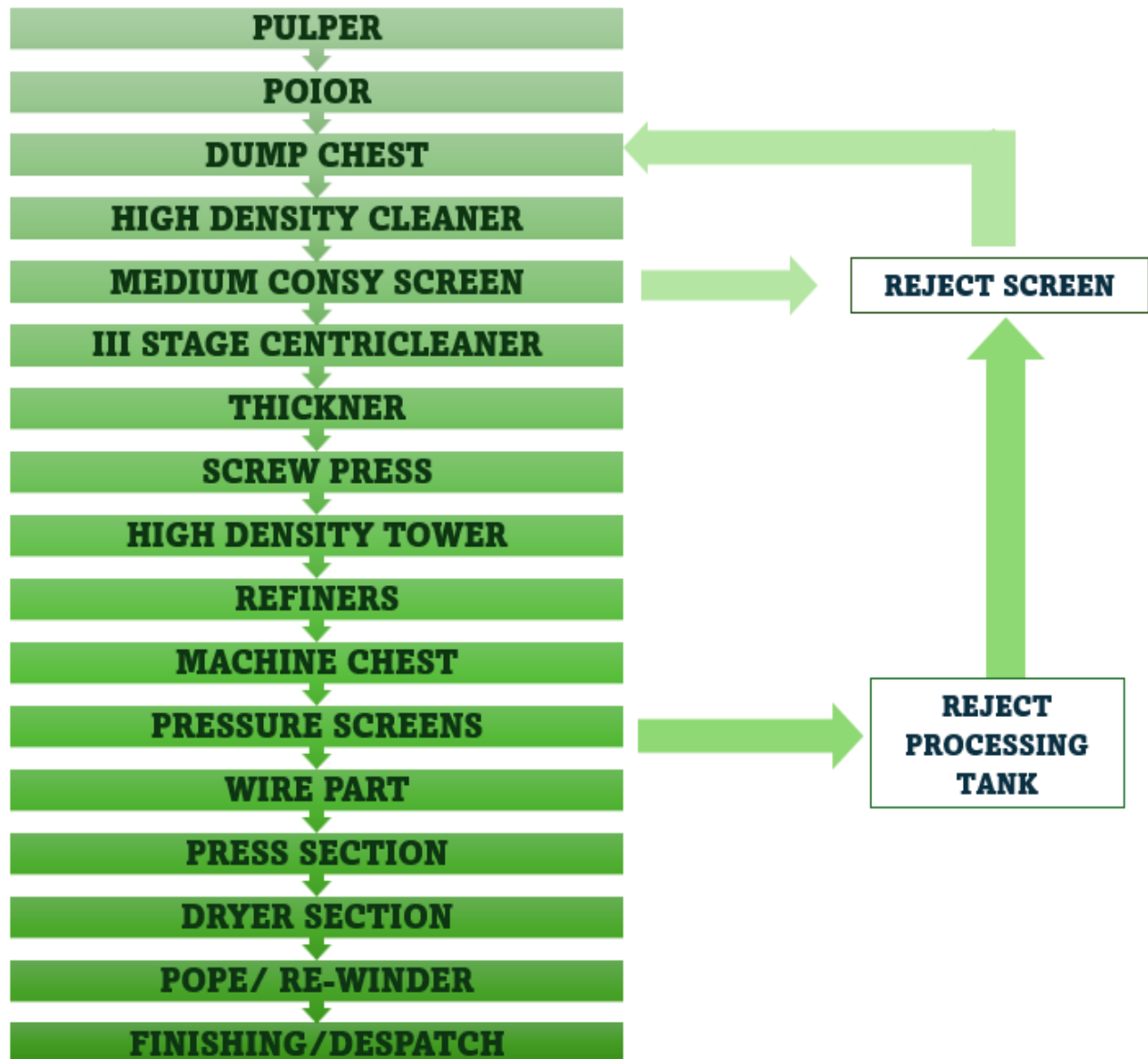
<ul style="list-style-type: none"> • Thickness: Customizable wall thickness to meet specific application requirements • Sizes: Available in a wide range of diameters and lengths • Finish: Smooth surface for easy application and handling • Customization: Options for custom printing and branding • Diameter: 40mm to 80mm • Weight: 30 grams to 10 kilograms <p>Applications:</p> <ul style="list-style-type: none"> • Textile Industry: Ideal for winding yarns, fabrics, and threads. • Paper and Film Industry: Used for winding paper, plastic films, foils, and other flexible materials. • Construction: Utilized in the construction industry for forming concrete columns and other structural applications. • Packaging: Suitable for packaging, protecting, and transporting various goods. • Crafts and DIY Projects: Popular in crafting and DIY projects due to their versatility and strength. 	
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The Product Wise Breakup of Our Revenue (Finished Goods) is as follows:

(Rs. in Lakhs)

Product	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Kraft Paper	27,130.95	28,799.89	27,649.90
Duplex Board	13,746.24	13,120.01	584.82
Cone Board	1,329.60	1,603.54	1,177.94
Paper Cones	5,106.41	5,494.22	2,750.26
Paper Core and Tubes	916.96	1,045.18	475.10
Corrugated Boxes	654.74	367.89	39.35
Total	48,884.90	50,430.74	32,677.37

PROCESS FLOW CHART



OUR PROCESS

I. Raw Materials:

Our manufacturing process relies heavily on both domestic and imported wastepaper, serving as the primary raw material for producing kraft paper and duplex board.

II. Pulping Process:

To initiate the pulping process, the raw materials are carefully introduced into the pulper using a bale plate conveyor. Water and steam are then added to create a slushy mixture. Operating as a mechanical grinder, the pulper meticulously grinds the material to achieve the desired consistency of 3 to 4%. Once slushing is completed, the raw pulp undergoes further refinement in a Dilution Pulper or Poir, where contaminants such as plastic, polythene, and cloth materials are effectively removed using a 6 mm fabricated screen plate. The resulting pulp is stored in a concrete tank known as a dump chest tower, equipped with an agitator to maintain homogeneity.

Subsequently, the pulp passes through a cyclonic mechanical Sand Trap and a High-Density Cleaner to eliminate sand particles, pins, and solid contaminants, ensuring a semi-cleaned pulp. Further processing through a Centrifugal Screen removes fiber bundles and fine plastic materials, yielding a cleaner pulp.

The refined pulp then undergoes refining in refiners to enhance homogeneity, achieving a final freeness of 35-40 degree of Schopper-Riegler(SR) or optimal paper properties. This meticulous process ensures uniformity in the pulp, crucial for achieving the desired paper quality. Finally, the pulp is transferred to the machine chest and pumped into the paper machine for further processing.

III. Approach Flow System:

Each wire part or mold within our approach flow system undergoes final screen cleaning and dilution to ensure optimal conditions for sheet formation. The pulp, initially at 4-4.5% consistency, is further diluted to less than 1% consistency by the fan pump, promoting uniform sheet formation.

IV. Paper Machine:

The paper machine section encompasses various critical sections, including:

1) Wire Part with Head Box and Sheet Forming Section:

The pulp from the approach flow system reaches the head box, where the jet velocity is matched with wire velocity by which the GSM variation, cross profile variation is also controlled. In the former the web is formed over the wire.

2) Press Section:

In the press section, the wet web is pressed, and the water is squeezed between two heavy rubber rollers. The wet web is carried and supported by a synthetic felt which also absorb the squeezed water and fines which will be cleaned by a high-pressure Shower followed by the heavy vacuum boxes.

3) Pre Dryer-Section:

In the drier section the sheet moisture is minimized to 6% by using steam as a heating source. The condensate of the steam will be removed from the drier with the help of rotary siphons. The recovered condensate will be repumped to the boiler house.

The drier cylinder is a cast iron vessel, which will have smooth surface to enhance the contact area and finish. It will also have Doctor Blades to keep the surface always clean and remove the fluff. The steam and condensate system will be cascading type, which in turn will reduce the steam consumption per ton and increase the rate of production.

4) Size Press Section:

In this size press section, starch and sizing chemicals are added to improve the properties of the paper.

5) Post Dryer Section:

As the paper web will get wet during the size press application, the paper will be dried again in the post drying section.

6) Calendar Section:

The dried paper is calendared between the chilled cast iron rollers to remove the surface irregularities.

7) Coating Section:

The paper will be passed through the Coaters to apply the surface smoothening clays, which will improve the printability on the surface. The coating weight shall be 8 gms to 24 gms on the surface, according to the quality requirements of the customers.

8) Pope Reeler:

The pope reeler is the section where the dried paper will be wound on a Thumbour Roll to the full width of the machine. The pope reeler will have primary arm and secondary arm. The empty thumber roll will load at the primary arm. Then it will be transferred to the secondary arm. This operation will be done without losing any production. Then the parent roll will be shifted to the slitter winter with the help of EOT Crane.

9) Drive Section:

The entire machine will be driven and controlled with the help of AC frequency microprocessor-based drive control system. The paper machine runs at a different line speed for the different grades of paper. Hence the variation of speed is the most sensitive requirement for paper machines.

10) Re-Winding & Slitting

The parent rolls which will be removed from Pope reeler are taken to the rewinder where the full width paper is cut to different saleable sizes as per the requirement of the market or the end user. Here the finished paper will be wound on paper core pipes, which will have an ID of 75 mm and OD of 100 mm.

The trimmings will be directly conveyed to dry end broke pulper through a blower. Here we may lose 4% of the machine production but in turn, which will be repulped and used for papermaking.

11) Reel Or Sheet Cutting Packing and Finishing:

The saleable size paper reels or sheets are neatly packed by reel warping machine and for the export edge protector are also to be used to avoid the damage of the finished reels. Before the dispatch of the materials, it will be thoroughly tested in the quality control laboratory. When the reels are ready for dispatch it will be weighed, and proper marking or bar coding are done.

SAFETY, QUALITY CONTROL AND CERTIFICATIONS

Safety

We have fire safety certificates granted by District Officer, Fire and Rescue Department, Tirunelveli District, Government of Tamil Nadu, for both our manufacturing facilities situated at Tirunelveli dated August 08, 2023.

Treatment of Pollution:

The Company holds consent for their Manufacturing Facility at Tirunelveli from the Tamil Nadu Pollution Board under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981. This granted consent empowers the Company to continue its operations with full compliance with the respective pollution control regulations. This regulatory adherence underscores our commitment to environmental responsibility and underscores our dedication to sustainable business practices.

Quality Measures

We utilize innovative online quality monitoring and control systems, ensuring compliance with international standards across all operations. From raw material sourcing to final product output, we adhere to defined standards at every stage of the production process.

Our in-house laboratory assures quality checks are implemented throughout production, supported by equipped with facilities for monitoring key process parameters such as GSM, RCT, Burst Factor, Moisture test, and Cobb value, ensuring consistent maintenance of quality standards.

We are devoted to a quality assurance process, which is overseen by skilled professionals at every stage of production. This comprehensive approach ensures that we maintain quality standards throughout our manufacturing processes, reinforcing our constancy to continual improvements and delivering products of unmatched quality to our valued customers.

Along with the quality precautions we also hold the below mentioned certifications:

Particulars / Description	Certification was conducted in accordance with TÜV AUSTRIA procedures, Management System as per EN ISO 9001: 2015	
Certificate / Registration Number	20100173002822	
Date of Registration	October 12, 2017	
Validity / Status	October 11, 2026	

Particulars / Description	Certification was conducted in accordance with TÜV SÜD Czech ACCREDITED CERTIFICATION BODY for Certification of FSC (Forest Stewardship Council) Recycled	
Certificate / Registration Number	TSUD-COC-002533	
Date of Registration	October 31, 2023	
Validity / Status	October 30, 2028	

OUR COMPETITIVE STRENGTHS

➤ *Paper waste recycle and Sustainable packaging solutions:*

We use wastepaper as our primary raw material for paper manufacturing has significant environmental benefits. Recycling one ton of paper extends far beyond waste reduction, making a substantial contribution to environmental conservation. By opting to recycle, we collectively save the equivalent of 17 trees, thereby conserving precious forests and promoting biodiversity. Furthermore, the conservation of 7,000 gallons of water and the sparing of 380 gallons of oil highlight the resource efficiency achieved through recycling. Notably, reducing landfill space by 3.3 cubic yards eases the burden on waste disposal systems, while the energy savings of 4,000 kilowatts underscore the inherent efficiency and sustainability of recycling processes.



By recycling paper, we actively contribute to the preservation of natural resources, reducing the need for new raw materials. This process also results in significant energy savings, minimizing the environmental impact associated with paper production. Moreover, recycling paper helps reduce greenhouse gas emissions, contributing to a healthier and more balanced ecosystem. Equally important, it ensures that landfill space is spared for non-recyclable waste, fostering efficient waste management practices. This holistic approach underscores the multifaceted benefits of paper recycling, aligning with a broader commitment to environmental responsibility and a more sustainable future.

Our industry is increasingly focusing on Sustainable Packaging Solutions, driven by the recyclability of paper and a growing environmental consciousness among consumers. The shift towards sustainable practices underscores a commitment to eco-friendly packaging, aligning with changing consumer preferences and fostering a more environmentally conscious market landscape. The online shopping boom and the government's ban on one-time use plastics have significantly boosted the packaging sector. Moreover, packaging spans across various sectors such as textiles, automobiles, pharmaceuticals, electronics, food, FMCG, distilleries, and retail, with each sector's requirements ranging from 2% to 7%.

➤ *Significant Advantage Due to Proximity of Subam's Factory Location*

The company has invested in water pumping stations and connecting pipelines, which are fully operational, ensuring efficient water distribution throughout the facility. Moreover, our strategic location offers a distinct advantage, with the Thamirabarani River situated within a mere 6 km proximity. Renowned for its extensive catchment area and the receipt of both South-west Monsoon and North-east Monsoon rains, this river serves as a reliable water source for our operations. The company has successfully obtained water drawl permission from the Government of Tamil Nadu, we have been authorized to withdraw the quantity of water at the rate of 25,000 gallons per hour from the river Thambaraparani, supplemented by an additional ten lakh litres per day from our rainwater harvesting system. This prudent water management strategy aligns with our commitment to sustainability and responsible resource utilization.

For paper-based industries, water quality is paramount in ensuring the production of high-quality paper. The proximity of Subam's factory location to the perennial water source of the Tamirabarani River, which flows throughout the year, is a significant advantage.

➤ *Efficient Inventory Management:*

Efficient Inventory Management lies at the core of our operations, seamlessly integrated with ERP technology that invigorates all our processes and systems. This integration empowers our company to respond to requirements while maintaining a keen focus adeptly and efficiently on effective inventory management. The utilization of ERP technology not only streamlines the tracking and control of inventory but also enhances the overall responsiveness of the organization, ensuring a swift and well-coordinated approach to addressing dynamic market demands.

The demand for odor-free paper is on the rise, driven by heightened public awareness, particularly in the realm of food product packaging and carry bag consumption. With our advanced ETP technology, our company is well positioned to meet this growing demand while simultaneously demonstrating our commitment to environmental responsibility. By

investing in modern ETP infrastructure, we not only ensure compliance with regulatory standards but have also set a new benchmark for sustainability within the industry. This strategic initiative aligns with the company's vision of delivering high-quality paper products that meet the evolving needs of consumers and contribute to a healthier environment.

➤ **Fully Integrated Manufacturing Facility:**

Our manufacturing facility is characterized by its fully automated processes, introducing a high degree of precision to the product manufacturing process. This advanced facility not only ensures an efficient production process but also contributes to maintaining a consistently high-quality output. In addition to precision, the facility prioritizes safety measures, aligning with stringent standards to create a secure and controlled environment for the manufacturing of quality products.

- **Machinery:** Utilizing a combination of imported and indigenous machinery, our facility is equipped to produce good quality products, we ensure efficiency and excellence in our manufacturing processes.
- **Power:** Our operations benefit from an uninterrupted 24x7 dedicated power line, ensuring a constant and reliable power supply. In addition to this, we prioritize captive renewable power generation through solar and windmills. This strategic approach helps contribute to making our overall production processes more sustainable and eco-friendlier.
- **Quality control:** Our in-house lab is equipped with essential facilities to monitor key process parameters (GSM, RCT, Burst Factor, Moisture test, Cobb value), ensuring stringent adherence to quality standards.
- **Storage facility:** Our in-house storage facility encompasses extensive space for both raw materials and finished goods, ensuring substantial reserves and facilitating consistent quality control measures. This storage infrastructure contributes to our ability to maintain ample reserves, promoting efficient quality management throughout the production process.

➤ **Consistence financial performance**

(₹ in Lakh)

Key Financial Performance	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations ⁽¹⁾	49,386.46	50,829.89	32,927.45
EBITDA ⁽²⁾	7,272.10	3,148.87	4,071.90
EBITDA Margin ⁽³⁾	14.72%	6.19%	12.37%
PAT	3,341.80	(26.79)	2,600.23
PAT Margin ⁽⁴⁾	6.77%	(0.05)%	7.90%
Networth ⁽⁵⁾	19,904.12	16,562.32	16,589.11
RoE % ⁽⁶⁾	16.79%	(0.16)%	15.67%
RoCE% ⁽⁷⁾	20.84 %	5.88%	12.82%

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income.

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.




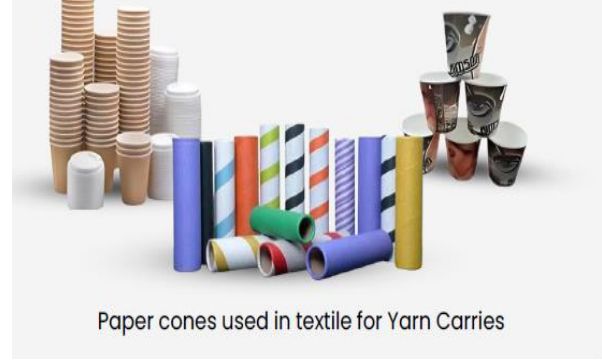
⁽⁵⁾ Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings. Here, EBIT is calculated as Profit before tax + Interest Expenses - Other Income.

➤ **Advantage of producing all grades of paper**

Subam's unique advantage of producing a wide range of paper grades all on one campus creates substantial demand in the market for their products. This includes several specific applications, which further enhance their market presence and appeal. Here are the advantages in detail:

<p>Kraft Paper</p> <ul style="list-style-type: none"> • Usage: Corrugated boxes, online retail packaging, carry bags, wrapping, and protective packaging • Characteristics: Strong, durable, high tear resistance, and typically brown due to unbleached wood pulp. 	 <p>Industrial bags, grocery bags, and multiwall sacks</p>
<p>Duplex Board</p> <ul style="list-style-type: none"> • Usage: Mono cartons, small boxes, notebook covers, invitations, matchboxes, carry bags, online retail packaging, writing and printing paper. • Characteristics: Made with two layers, one side usually coated for a smooth finish, suitable for printing, stiff and durable. 	 <p>Folding Boxes, brochures & Wedding Cards</p>
<p>Corrugated Boxes:</p> <ul style="list-style-type: none"> • Usage: Corrugated boxes and packaging materials. • Characteristics: Comprises a fluted corrugated sheet and one or two flat linerboards, provides cushioning and strength. 	 <p>Boxes used for Electronics, Electrical wires, Chemicals, Pizza Box and Mono carton Box.</p>
<p>Paper Cones</p> <ul style="list-style-type: none"> • Usage: Yarn Winding, Thread Storage, Tape Rolls, Wire and Cable, Packaging, Protective Packaging, Confectionery and Arts and Crafts. • Characteristics: Strength and Durability, Lightweight, Cost-Effective, Customizable, Recyclable and Eco-Friendly, Versatile, Multi-Use, Sturdy Base, Resistance to Deformation: Shape Retention 	 <p>Paper cones used in textile for Yarn Carries</p>

Paper Tubes and Cores

- **Usage:** packaging, industrial winding, textile storage, and as cores for consumer goods like paper towels and tapes

- **Characteristics:**

Offer exceptional strength, versatility, and eco-friendliness, with customizable options and reliable shape retention for diverse industrial and packaging needs.



No other company in South India offers such a comprehensive facility. This setup allows Subam to use raw materials and resources efficiently.

Our products serve various industries, each requiring several types of paper with specific properties, coatings, and finishes. This diverse approach helps us meet many customer needs and adapt to changing market demands. By offering a variety of products with unique features and uses, we stay competitive and meet our customers' evolving preferences.

Our Network of Raw Material Suppliers

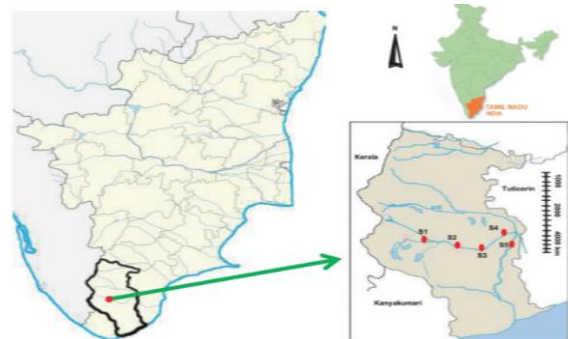
Our primary raw material is recycled paper, which we utilize to manufacture our diverse range of paper products. By relying on a mix of imported and local sources for our raw materials, we maintain flexibility and resilience in our operations. This approach not only supports our sustainability goals by emphasizing the use of recycled materials but also enhances our ability to meet diverse customer needs with quality products. Our commitment to environmental responsibility and quality control is evident throughout our production process, from the initial sourcing of raw materials to the final manufacturing stages.

➤ *MOU with the Tamil Nadu Government:*

We at Subam has entered an MOU with the Tamil Nadu Government to establish industries in economically backward districts of the state. We have signed a Memorandum of Understanding with Guidance, Industrial Department, Government of Tamil Nadu dated July 20, 2021. This MOU states that Subam along with its Group Companies proposes to set up Kraft and Duplex Board Paper making plants and paper packaging products in Tamil Nadu which would create an employment of 2000 people (1500 direct jobs and 500 indirect jobs). In return, the Tamil Nadu Government would offer facilitation and support for implementing along with eligible subsidies.

➤ *Current Renewable Energy Assets:*

We have made significant strides in sustainable energy solutions by investing in renewable power sources. To further minimize our environmental impact, we harness renewable energy through our own wind and solar power installations. Our wind energy infrastructure includes two windmills: with a capacity of 850 KW each totalling approximately 1.7 MW. Additionally, we operate a solar plant with a capacity of 14 MW. These renewable energy sources enable our manufacturing facilities to significantly reduce their carbon footprint, aligning with our goal of sustainable and eco-friendly operations.



➤ ***Diverse clientele through robust B2B strategy:***

Subam operates on a robust B2B business model, catering to a vast network of over 1200 customers over the past two decades. Our business strategy mitigates credit risks by diversifying our customer base, ensuring that no single customer accounts for more than 5% of our total sales.

OUR BUSINESS STRATEGY

➤ ***Anaerobic Reactor for odourless paper manufacturing***

We plan to introduce odourless paper, that directly addresses concerns about the unpleasant smells often associated with traditional paper production methods, which have been under scrutiny due to water pollution norms. Our odourless paper will spark an interest in the market, especially among consumers who prioritize hygiene, particularly when it comes to packaging food items like pizzas or cakes. This surge in demand underscores our keen understanding of evolving consumer preferences and our commitment to meeting them head-on.

Our dedication to innovation is evident through our adoption of technology and our relentless focus on research and development. By implementing Anaerobic Reactor technology, we shall tackle the challenge posed by the rampant growth of microbiological organisms in warm and humid conditions. This growth not only disrupts operational efficiency but also compromises the quality of our paper products, leading to a range of issues including machine downtime, compromised sheet integrity, frequent wash-ups, unplanned shutdowns, and the emission of unpleasant odours. Embracing Anaerobic Reactor technology not only demonstrates our commitment to environmental stewardship but also optimizes our manufacturing processes for greater efficiency.

Moreover, our commitment to sustainability goes beyond technological innovation. These plants, powered by Biomass Reactors supplied by Paques India, ensure that the water used in our manufacturing processes undergoes thorough treatment, resulting in paper products that are entirely free from any unpleasant Odors. The soaring demand for odour-free paper, particularly in the food packaging sector, highlights the importance and impact of our endeavours in driving positive change within the industry.

➤ ***Import of wastepaper from western countries***

Virgin paper, composed primarily of wood pulp or cotton, is renowned for its high quality and non-recyclable nature. In the foreign market, the wastepaper collection comprises a balanced mix of 50% Virgin and 50% Recycled Wastepaper, with a substantial per capita consumption ranging from 250 to 300 kg. In contrast, India's per capita paper consumption stands at a modest 15kg, significantly lower than the global average of 57kg.

To meet the demand for paper production, an annual requirement of 22 million tons of wastepaper is necessary, and India's domestic collection yields approximately 12 to 13 million tons. To bridge this gap and enhance the quality of our products, we import 6-7 tons from western countries, predominantly the US, UK, Europe, and Canada. This strategic sourcing allows us to increase the proportion of already recycled paper in our production, contributing to the superior quality of our paper and paperboards compared to competitors relying on domestic sources.

- **Strategic advantage due to our proximity to the upcoming Vizhinjam and Tuticorin Ports by reshaping our import and export operations.**



The current challenges in maritime logistics, particularly the reliance on transshipment through ports like Colombo, Singapore, Jebel Ali, significantly inflate the costs associated with importing and exporting goods. With vessels often needing to transfer cargo to smaller vessels for onward transportation to destinations like Mumbai and Mundra, Tuticorin in this process incurs substantial expenses. As a result, the container freight costs to ports such as Nhava Sheva, Mundra, and Tuticorin are notably higher compared to destinations like Singapore. The upcoming Vizhinjam Seaport in Thiruvananthapuram is set to have a significant impact on our Indian sea trade and Company's operations. Designated as a transshipment hub with the capacity to manage ultra-large ships, this state-owned facility, managed by the Adani Group under a 40-year

agreement with the Government of Kerala and Government of India, is strategically positioned to compete with international ports like Colombo, Salalah, Dubai, and Singapore for container transshipment. Its proximity to our Company, situated just 150 km away, positions us to benefit from the anticipated reduction in logistics costs once the port becomes fully operational by December 2024.

Vizhinjam’s status as the gateway to the Southern States, which contribute to 31% of India's GDP, will further enhance our competitiveness in both domestic and global markets. This reduction in container freight costs will not only facilitate re-export to Europe but also expand our market reach, leading to improved company profits and a stronger market presence.

Tuticorin emerges as a more economically viable and efficient choice for EXIM activities compared to Kochi and Chennai ports. Its infrastructure and operational efficiency surpass even that of Chennai Port, establishing Tuticorin as a strategic hub. Notably, it holds a distinct advantage by facilitating direct shipping routes to the US and Europe, a significant boon for international trade. The port's prominence is further underscored by boasting the maximum number of Inland Container Depots (ICDs) and Container Freight Stations (CFSs), with 10 ICDs and 50 CFSs seamlessly connected to major ports, railways, and road networks, all managed by the Container Corporation of India (CONCOR). This extensive network positions Tuticorin as a pivotal point for both the origin and destination of containers, solidifying its role as a preferred and well-connected maritime gateway.



- **Establishing Support for a Wholly-Owned Subsidiary's New Unit**

Subam Paper and Boards Private Limited, a subsidiary fully owned by our company, is currently engaged in the establishment of a new operational unit. As the parent company, we recognize the significance of this expansion and are committed to providing the necessary financial support for its success. To facilitate the smooth initiation of operations, we intend to allocate resources towards procuring advanced machinery tailored to the unit's requirements. Additionally, we will oversee the setup of the factory infrastructure, ensuring that it aligns with industry standards and optimizes production efficiency. By investing in these critical aspects of the new unit, we aim to lay a strong foundation for its growth and sustainability in the market. This strategic approach underscores our commitment to fostering the subsidiary's development and maximizing its potential within the industry landscape.

SWOT ANALYSIS OF OUR COMPANY

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ● Wide Product Range: The company produces both duplex and kraft paper, offering a diverse range of products to cater to various customer needs and industry requirements. 	<ul style="list-style-type: none"> ● Dependence on Raw Materials: Reliance on raw materials such as pulp and recycled paper may expose the company to fluctuations in prices and supply chain disruptions, impacting production costs and profitability.

<ul style="list-style-type: none"> ● Cost Efficiency: Efficient manufacturing processes and economies of scale allow the company to produce paper at competitive prices, enhancing its cost advantage in the market. ● Strong Distribution Network: The company has established a distribution network across South India, ensuring widespread availability of its products and efficient supply chain management. ● Quality Assurance: The company maintains high-quality standards in its paper production, adhering to industry regulations and certifications, which enhances customer trust and loyalty. ● Sustainable Practices: Implementing sustainable practices in manufacturing processes, such as using recycled materials and minimizing environmental impact, positions the company favorably in an increasingly eco-conscious market. 	<ul style="list-style-type: none"> ● Technological Obsolescence: Failure to invest in advanced technology and machinery may result in inefficiencies in production processes, limiting the company's ability to compete with rivals with more modern facilities. ● Limited Innovation: Lack of innovation in product development and value-added services may hinder the company's ability to differentiate itself in the market and meet evolving customer demands. ● Regional Concentration: Concentration of manufacturing facilities or customer base in specific regions may leave the company vulnerable to regional economic fluctuations or regulatory changes. ● Brand Awareness: Limited brand awareness and marketing efforts may hamper the company's ability to expand market share and compete effectively with established competitors.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ● Growing Packaging Industry: Increasing demand for packaging materials, particularly in e-commerce and FMCG sectors, presents opportunities for the company to expand its presence in the packaging paper segment. ● Export Markets: Exploring export opportunities to neighboring countries and emerging markets can diversify the company's revenue streams and reduce dependence on domestic market conditions. ● Product Diversification: Introducing new variants or specialty papers tailored to specific applications, such as food packaging or industrial uses, can tap into niche markets and capture additional revenue streams. ● Digital Transformation: Embracing digital technologies for process optimization, supply chain management, and customer engagement can improve operational efficiency and enhance customer satisfaction. ● Strategic Partnerships: Forming strategic alliances with suppliers, distributors, or technology partners can strengthen the company's competitive position and facilitate access to new markets or technologies. 	<ul style="list-style-type: none"> ● Intense Competition: Fierce competition from domestic and international paper manufacturers, some with greater financial resources and market presence, poses a threat to the company's market share and profitability. ● Raw Material Price Volatility: Fluctuations in prices of raw materials, such as pulp and recycled paper, driven by global market dynamics or environmental factors, can impact production costs and profit margins. ● Regulatory Compliance: Adherence to stringent environmental regulations and labor laws, as well as compliance with quality standards and certifications, may increase operational costs and pose regulatory risks to the company. ● Substitute Materials: Substitution of paper with alternative materials or digital solutions in certain applications, such as electronic documentation or packaging, poses a long-term threat to the demand for traditional paper products. ● Economic Uncertainty: Macroeconomic factors such as inflation, currency fluctuations, or economic downturns can affect consumer spending patterns and industrial demand for paper products, impacting the company's sales and financial performance.

MARKETING STRATEGY

Our in-house team diligently conducts market research and competitive analysis to gain insights into customer preferences, market trends, and competitor strategies. Leveraging these insights, we refine our product offerings and pricing strategies to ensure alignment with customer needs and market demands.

We identify key customer segments, including printing businesses, packaging companies, educational institutions, and corporate offices. Tailoring our advertising and promotional campaigns to their specific needs and preferences, we strive to deliver targeted messaging that resonates with each segment.

Collaborating closely with distributors, wholesalers, retailers, and other complementary businesses in the supply chain, we expand our market reach and distribution channels. Building strong relationships with our customers is paramount, and we achieve this through personalized communication, prompt customer service, and robust after-sales support.

Enhance our customer relationship management efforts, we are in the process of implementing a CRM system. This will enable us to track interactions, gather feedback, and address customer concerns proactively, further improving our service quality.

Additionally, we offer loyalty programs, discounts, and remarkable offers to reward repeat purchases and foster long-term customer loyalty. Our professional and user-friendly website serves as a comprehensive platform highlighting our wide range of products. By optimizing our website for search engines, we enhance our online visibility and accessibility to potential customers.

Furthermore, we have established our presence through our website and online platforms like Linkedn & India MART to facilitate online sales and reach customers through digital channels. Our website provides complete details about our business and unique selling propositions (USPs) and serves as a midway point for raising queries and placing orders. This multi-pronged approach ensures that we effectively engage with our target audience and continue to grow our business in a competitive market landscape.

INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office & Factory is situated at S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk- 627010, Tamil Nadu, India. Our registered office is well equipped with computer systems, internet connectivity, other communication equipment, security, and other facilities, which are required for our business operations to function smoothly.

A. Registered Office, Tirunelveli:



B. Our factory has 2 manufacturing units at Tirunelveli:

Unit 1: Manufacturing of Duplex Paper, Tirunelveli:





Unit 2: Manufacturing of Kraft Paper, Tirunelveli





Power

We have a regular power supply at our registered office and factory provided by Tamil Nadu Generation and Distribution Corporation Limited.

Additionally, we generate electricity using our own solar and wind energy sources for our two manufacturing units and registered office. We use this generated power first, and any extra electricity we need is supplied by Tamil Nadu Generation and Distribution Corporation Limited.

We have installed 14 MW of solar PV plant and necessary Energy Wheeling Agreement has been executed with Tamil Nadu Generation and Distribution Corporation for wheeling of the said power.

Water

Our registered office and both our manufacturing units have adequate water supply arrangements for manufacturing purposes. The Company has entered in an Agreement dated December 12, 2023, with the Government of Tamil Nadu for granting the Company the rights of using of Sub surface water from the two infiltration wells.

MATERIAL CONTRACTS

There are no material contracts as on date of filing this Draft Red Herring Prospectus.

HUMAN RESOURCE

We recruit after conducting reference checks and our new employees undergo training. We conduct training programs on a periodic basis for our employees on lending operations, underwriting and due diligence, KYC and anti-money laundering norms, risk management, information technology, and grievance redressal. We also constantly engage with our employees through programs such as periodic review meetings, conferences, and refresher training. We undertake specific training and quality checks of your collection team to ensure compliance with RBI guidelines for recovery of overdue loans.

As on date on filling Draft Red Herring Prospectus our Company has 537 employees including KMPs on payroll. Bifurcation is as follows:

Functions/ Department	Number of Employees
Office	
Accounts & Finance	13
Administration	56
Human Resource	5
Purchase	13
Sales	26
Factory & Warehouse	
Skilled	284
Unskilled	140
Total	537

COMPETITION

We face competition not only with domestic (organized and unorganized sector) rivals but also face competition from international players. Globalization has led to an influx of imported paper products, which can pose a threat to domestic manufacturers, especially if they cannot match the pricing or quality offered by overseas competitors. In India, the paper manufacturing industry is quite competitive, with several companies vying for market share. It faces several challenges and competitions in the market pertaining to price competition is fierce in the paper industry, with companies constantly vying to offer competitive pricing to attract customers. This can put pressure on profit margins and requires efficient cost management strategies. Securing a consistent and cost-effective supply of raw materials, such as wood pulp, recycled paper, and chemicals, can be a challenge. Fluctuations in raw material prices and availability can affect production costs and competitiveness.

We have put efforts into in scaling our operation along with maintaining quality standards is crucial to staying competitive in the market. Companies need to invest and keep pace with technological advancements is essential to improve efficiency, reduce production costs, and introduce innovative products. Companies also face compliance with environmental regulations is increasingly important in the paper industry due to concerns about deforestation, pollution, and sustainability. Companies need to invest in eco-friendly practices and sustainable sourcing to meet regulatory requirements and consumer preferences.

In both the listed and unlisted space, our peers include prominent players such as B&B Triple Wall Containers Limited and Pakka Limited, both of which operate in the packaging industry. Pakka Limited focuses on producing packaging board primarily from agro pulp and recycled paper, positioning itself as a key player in the market. On the other hand, JK Paper, known for its white paper manufacturing, has expanded its portfolio by venturing into packaging through the acquisition of Horizon Packs, a packaging company operating nationwide. Additionally, Horizon Packs emerges as another significant competitor in the private sector, enhancing the landscape of packaging solutions. While these companies may excel in certain segments, our focus on value-added products and sustainability distinguishes us within the industry.

TOP 5 AND TOP 10 CUSTOMERS AND SUPPLIERS

Percentage of our Top Customers of Total Sales:

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
% wise Top 1 of Total Sales	5.66%	6.18%	8.39%
% wise Top 3 of Total Sales	14.79%	14.18%	21.30%
% wise Top 5 of Total Sales	20.59%	19.61%	31.20%
% wise Top 10 of Total Sales	29.44%	27.62%	38.62%

Percentage of Top Suppliers of *Total Purchases:

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
% wise Top 1 of Total Purchases	5.47%	5.74%	6.33%
% wise Top 3 of Total Purchases	13.00%	13.56%	16.25%
% wise Top 5 of Total Purchases	19.00%	20.42%	22.80%
% wise Top 10 of Total Purchases	29.08%	30.26%	35.22%

* Total Purchases are inclusive of Purchase of Raw Material, Power and Fuel and Consumption of Stores and Spares

COLLABORATIONS




We have not entered into any technical or financial or any other collaboration agreement as on the date of filing the Draft Red Herring Prospectus.





PLANT & MACHINERY



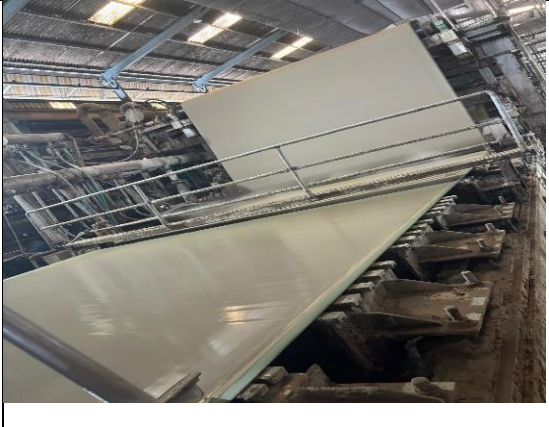

Following is the list of Plant and Machinery installed at our Manufacturing premises: -





Unit 1 & 2: Manufacturing of Duplex Paper and Kraft Paper

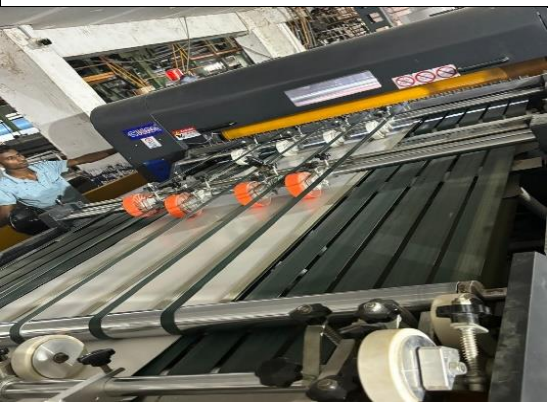


(As the process of manufacturing of both the paper is same the machinery used are the same.)

Sr.no	Name of the Machine	No. of Machines	Purpose	Photo
1.	Raw Material Feeding - Conveyor	2	Waste papers and cardboards feeding conveyor for producing pulp.	
2.	D-pulper	2	<p>D-pulper for producing pulp from wastepaper and cardboard.</p> <p>The raw materials are to be fed into the pulper with the help of bale plate Conveyor, where water is added to slush the material. This is a mechanical grinder, which grinds or slushes the material for producing pulp.</p>	
3.	High Density Cleaner	2	This is a high density cleaner where sand particles, pins and solid contaminants will be removed from the pulp.	

4.	Coarse Screen	2	This screening machine is used for removal of small plastic and other contamination from the Pulp.	
5.	Turbo Reject Cleaning	2	This machine is used for handling the rejects from the pulp.	
6.	Center Cleaner	2	Center Cleaner is for further separation of good pulp and reject pulp. It has primary, secondary, and tertiary separation. The secondary separation process separates the good pulp and transfers it to primary section and the reject pulp is pushed to the tertiary section for removal of sand and other contaminants.	
7.	Fine Screen	2	This is the machine used for the final stage of acceptance of the pulp which will be used for paper production.	

8.	Pulp Filter Disc	2	This machine is used for improving the consistency of the pulp and reducing the ppm of water.	
9.	Disperser Spec Remover	2	This machine is for removal of spec in the paper.	
10.	Wire Part – Wet End	2	The wire part wet end is used for mat sheet formation for paper production.	
11.	Press Part – Wet End	2	Press Part Wet end is the process in which the mat formed from the pulp is pressed for paper production. The water is removed by pressing section.	

12.	Drier Section	2	The pressed pulp is introduced into the drier section for removal of excess moisture from the paper through introduction of steam into the process.	
13.	Quality Scanner	2	The quality scanner is used to control the specification of the paper produced matching the customer specifications.	
14.	Pope Reeler	2	This is the final section for production of paper as per customer specifications. The paper is wound on a roll to the full width of the machine. The pope reeler will have primary arm and secondary arm. The empty thumber roll will load at the primary arm. Then it will be transferred to the secondary arm. This operation will be done without losing any production.	
15.	Re-winder	2	The parent rolls which will be removed from Pope reeler are taken to the re-winder where the full width paper is cut to different saleable sizes as per the requirement of the customer specifications.	

16.	Sheet Cutter	1	This is the Sheet cutter machine where the paper reels are cut into Sheet as per customer requirements. This machine is used only for Duplex Paper manufacturing.	
17.	Quality Control Lab	2	The quality control lab is for testing the quality of paper for the various parameters like Burst Factor, Moisture, Cobb, RCT.	
18.	Machine System Monitoring	2	This is the drive control room for monitoring operation of each of the systems and machines.	

CAPACITY AND CAPACITY UTILIZATION

Product Name	Installed Capacity (in MT)	Utilization of Capacity (in MT)*		
		For financial year ended on		
		March 31, 2024	March 31, 2023	March 31, 2022
Kraft Paper	300 MTPD			
	93600 TONS	93081 TONS	83691 TONS	82371 TONS
Duplex Board	140 MTPD			
	47200 TONS	43963 TONS	30393 TONS	3336 TONS

*Chartered Mechanical Engineer capacity utilization certificate dated June 08, 2024, by N. Shanmugam.

IMPORTS-EXPORTS AND IMPORT-EXPORT OBLIGATIONS

The export obligation as on date is:



Sr.No	Particulars	License No	Duty Saved (₹)	Export Obligation (₹)	Validity
1.	Obligation on duty saved on Import of Capital Goods	*3231001 677	26,58,000	1,59,48,000	Import Validity: September 28, 2023 Export Obligation: September 28, 2027
2.	Obligation on duty saved on Import of Capital Goods	*3231001 510	26,60,000	1,59,60,000	Import Validity: August 31, 2023 Export Obligation: August 31, 2027
3.	Obligation on duty saved on Import of Capital Goods	*3231001 515	48,94,400	2,93,66,400	Import Validity: August 31, 2023 Export Obligation: August 31, 2027
4.	Obligation on duty saved on Import of Capital Goods	*3231001 688	77,65,680	4,65,94,080	Import Validity: September 29, 2023 Export Obligation: September 29, 2027
5.	Obligation on duty saved on Import of Capital Goods	*3231001 692	10,02,983	60,17,898	Import Validity: September 29, 2023 Export Obligation: September 29, 2027
6.	Obligation on duty saved on Import of Capital Goods	32310019 14	99,700	5,98,200	Import Validity: November 11, 2023 Export Obligation: November 11, 2027
7.	Obligation on duty saved on Import of Capital Goods	*3231001 2886	15,08,760	90,52,560	Import Validity: April 04, 2024 Export Obligation: April 04, 2028
8.	Obligation on duty saved on Import of Capital Goods	*3231003 473	61,25,400	3,67,52,400	Import Validity: August 05, 2024. Export Obligation: August 05, 2028.
9.	Obligation on duty saved on Import of Capital Goods	32310035 79	8,86,756	53,20,536	Import Validity: August 30, 2024 Export Obligation: August 30, 2028
10.	Obligation on duty saved on Import of Capital Goods	32310042 16	3,45,270	20,71,620	Import Validity: January 05, 2025 Export Obligation: January 05, 2029
11.	Obligation on duty saved on Import of Capital Goods	32310045 78	10,20,000	61,20,000	Import Validity: March 20, 2025 Export Obligation: March 20, 2029

*The Obligation towards these licenses have been fulfilled.

ACCREDITATIONS

We have been honored not once, but twice, with awards for the highest import volume of containers through Tuticorin Port, one of the two major ports in South India alongside Chennai. This accolade, presented by the Tuticorin Port Trust, reflects our significant role in facilitating trade and commerce in the region. Moreover, our recognition by the Income Tax Department as a top taxpayer in the Tirunelveli Commissionerate, which encompasses six districts, underscores our commitment to contributing to the nation's fiscal health and supporting local governance.

Sr. No.	Name of Award	Image of Award	Description of Award
1.	V.O. Chindambaranar Port Trust, Tuticorin		This award was received for excellence in Traffic Performance 2018-2019 for Importing highest number of TEUs as Consignee

			
2.	V.O. Chindambaranar Port Trust, Tuticorin		This award was received for excellence in Traffic Performance 2018-2019 for Importing highest number of containers

OUR PROPERTIES

Properties Owned by the Company

Sr. No.	Location	Name of Seller	Document and Date	Consideration (Rs)	Usage
1.	Tirunelveli Taluk, in Vaduganpatti Village, (Ayan Punja Land) comprised in S.No. 143, 5 Acre 16 cent, S.No. 144, 5 Acre 28 Cent, S.No. 145 7 Acre 8 Cent, in S.No. 146 out of the 5Acre 20 Cent, the northernmost and central portion comprising of Acre 4 and Cent 70. Thus totally 22 Acre 22 cent for an extent of 8.99.60 Hectare of Punja land.	Mr. T Balakumar	Sale Deed February 09, 2012	71,000	Registered Office & Factory
2.	In Tirunelveli District, Pettai Sub Registrar Office in Kodaganalloor Revenue Village, Punja Survey No. 682/1 Acres 8 Cents 78, and Survey 682/2 measuring Acres 0 cents 82	Smt P.C. Vijayakumari	Sale Deed on September 29, 2004	52,800	Vacant Land
3.	In Tirunelveli District, Pettai Sub Registrar Office in Kodaganalloor Revenue Village, Punja Survey No. 683/1 Acres 6 Cents 30, and Survey 683/2 measuring Acres 2 cents 3	Sri. A.K. Ravindranathan	Sale Deed on September 29, 2004	45,815	Vacant Land

4.	In Tirunelveli District, Pettai Sub Registrar Office in Kodaganalloor Revenue Village, Punja Survey No. 684/3 measuring Acres 4 cents 30	Smt. K Ramani	Sale Deed on September 29, 2004	23, 650	Vacant Land
5.	All that piece and parcel of dry lands at Vaduganpatti Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey No.129 Acres 02 Cents 77 Northern Side Out of Acres 05 Cents 55 and in Survey No.146 Balance Cents 50 South Side Out of Acres 05 Cents 20 in sold Acres 04 Cents 70	1. Mrs. Rose Samuel 2. Mrs. Suganthi 3. Mrs. Mettrila Devi 4. Mrs. M. Hilariya Nirmal Ruby 5. Mr. David Jegatheesh 6. Mr. Peter Peligs Amalraj	Sale Deed on December 08, 2004	44,500	Vacant Land
6.	Kodaganallur Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey Nos. and Extents as follows (S.No.524/1, Acres 04, Cents 16, S.No.524/2, Acres 05, Cents 28; S.No.525/2A, Acres 01, Cents 98, 4S.No.525/2C, Acres 02, Cents 45	Mrs. A. T. Premakumari,	September 15, 2005	60,000	Vacant Land
7.	Vaduganpatti Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey Nos. and Extents (S.No.128, Acres 05, Cents 50; S.No.132, Acres 02, Cents 22; S.No.133, Acres 02, Cents 00, S.No.135/1, Acres 05, Cents 71; S.No.136/1, Acres 03, Cents 09; S.No.137/2, Acres 02, Cents 38; S.No.138, Acres 04, Cents 08; S.No.140, Acres 07, Cents 89; S.No.141, Acres 07, Cents 38; S.No.142, Acres 07, Cents 22; S.No.121/1, Acres 01, Cents 74; S.No.122, Acres 02, Cents 20;S.No.121/2, Undivided, Acres 01, Cents 48.50; Out of Acres 2.97, S.No.126/1, Acres 05, Cents 13; S.No.147/2, Acres 02, Cents 42; S.No.120, Undivided, Acres 01, Cents 46, Out of Acres 4.38; S.No.149, Undivided, Acres 01, Cents 06; Out of Acres 2.12)	1. Mr. S. Meganathan, 2. Mr. V. P. Gopal Ragavan, 3. Mr. Neelakanta Pillai	Sale Deed on March 10, 2006	70,000	Vacant Land
8.	Vaduganpatti Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey No.151/1 and Extent Acres 04 Cents 28	1. Mr.M. Vadivel 2. Mr.M. Babbu 3. Mr.V. Muthiah	Sale Deed on January 19, 2005	12,840	Vacant Land
9.	Vaduganpatti Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey Nos. and Extents as (S.No.130, Acres 06, Cents 20; S.No.131, Acres 06, Cents 22; S.No.134, Acres 02, Cents 96; S.No.147/2, Acres 00, Cents 87.	Mrs. Rathna	Sale Deed on February 02, 2006	70,000	Vacant Land

	S.No.119/2, Acres 00, Cents 17, S.No.119/3, Acres 00, Cents 59; S.No.123, Acres 01, Cents 68; S.No.129, Undivided, Acres 02, Cents 77.50 Out of Acres 5.55; S.No.111, Undivided Acres 02, Cents 37, Out of Acres 4.74; S.No.124/1, Acres 05, Cents 31				
10.	Vallalnathi Village, Auntipatti Taluk, Theni District 1. Survey Field No. 627/3B admeasuring 7 cents equal to 0.03.0 Hectare on the Southern Side out of the total extent of 10 cents equal to 0.04.0 hectare. 2. Survey Field No. 627/4 measuring 69 cents equal to 0.28.0 Hectare on the Southwest Side out of the total extent of 1 acre 24 cents equal to 0.50.0 hectare. 3. Survey Field No. 627/45 total extent of 1 acre 24 cents equal to 0.50.0 hectare.	Mr. A.M. Ibrahimkutti	Sale Deed on February 19, 2010	63,990	Windmill
11.	Vallalnathi Village, Auntipatti Taluk, Theni District 1. Survey Field No. 635/4 of 62 cents equal to 0.25.0 hectare. 2. Survey Field No. 635/5A admeasuring 27 cents equal to 0.11.0 Hectare on the Eastern Side out of the total extent of 89 cents equal to 0.36.0 hectare. 3. Survey Field No. 635/8B1 admeasuring total extent of 1.11 acres equal to 0.45.0 hectare.	Mr. A.M. Ibrahimkutti	Sale Deed on the March 5, 2010	63990	Windmill
12.	Kodaganallur Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey No.70/3 (H/A 0.08.5) and Extent Cents 21.	Mr. Malaiappa Thevar	Sale Deed on October 10, 2005	20,000	Vacant Land
13.	Kodaganallur Village, Tirunelveli Taluk, Tirunelveli District, within the Registration District of Tirunelveli and in the Registration Sub-District of Pettai, comprised in Survey No.70/4A and Extent Cents 10	Mr. Muthupandian	September 30, 2005	20,000	Vacant Land

Properties Rented by the Company

Sr. No	Location	Name of Lessor/Li censored	Document	Rent (In Rs)	Period of Agreement		Usage
					From	To	
1.	S.F.No.173/1B PeriyakattiyuThottam, Velampatti, North Avinashipalyam Village, Tiruppur – 641665	Shri. M. Jaganathan	Supplementary Deed as on February 28, 2024	20,000 monthly	March 01, 2024	January 31, 2025	Godown
2.	1. Tirunelveli Registration District, Pettai Sub- Registration District. Tirunelveli Taluk, in Vaduganpatti	Subam Paper & Board	Lease deed as on	3,00,000 yearly	August 19, 2020	August 19, 2060	Vacant Land

	<p>Village, (Ayan Punja Land) comprised in S.No. 128, 5 Acre 50 cent of Panja Land.</p> <p>2. Tirunelveli Registration District, Pettai Sub- Registration District, Tirunelveli Taluk, in Vaduganpatti Village, (Ayan Punja Land) comprised in S.No. 129, Out of the 5 Acre 55 cents, Northern half of 2 Acre, 77 cents, in S.No. 129 put of the 5Acre, 55 Cents the undivided part of 2 Acre, 77.50 cents of punja Land are included. Boundaries for the above mentioned 2 Acre 77 cents are as follows: North: Land having Survey No. 128 East: Land having Survey No. 126 South: Sourthern Half of the Land of Survey No. 129 West: Land Survey No. 141.</p> <p>3. Tirunelveli Registration District, Pettai Sub Registration District, Tirunelveli Taluk, in Vaduganpatti Village, (Ayan Punja Land) comprised in S.No. 140, 7 Acre, 89 Cent of Punja Land.</p> <p>4. Tirunelveli Registration District, Pettai Sub Registration District, Tirunelveli Taluk, in Vaduganpatti Village, (Ayan Punja Land) comprised in S.No. 141, 7 Acre, 38 Cent of Punja Land.</p> <p>5. Tirunelveli Registration District, Pettai Sub Registration District, Tirunelveli Taluk, in Vaduganpatti Village, (Ayan Punja Land) comprised in S.No. 142, 7 Acre, 22 Cent of Punja Land.</p>	Private Limited	August 19, 2020				
3.	<p>Tirunelveli Registration District, Pettai Sub- Registration District, Tirunelveli Taluk, in Sankanthiradu Village, (Ayan Punja Land) comprised in S.No. 509/1, 2 Acre 92 cent, S.No. 509/2, in the toatal extent of 4 Acre 6 Cent the undivided extent of 3 Acre, 33 Cent, S.No. 510/1 2 Acre 13 Cent, in S.No. 510/2, 3 Acre 74 Cent, in S.No. 473/1 out of the total extent of 2 Acre 91 cent, the undivided extent of 1 Acre, 93 cent, S.No. 473/2, out of the total extent of 6</p>	Rajselva Agro Farms Private Limited	Lease deed as on March 07, 2022	1,07, 875 yearly	March 07, 2022	March 7, 2050	Solar Plant

	Acre 59 cent, the undivided extent of 4 Acre, 64 cent, S.No. 504/1, 4 Acre 6 Cent, S.No. 503/1 1 Acre 86 Cent, in S.No. 503/2, 6 Acre 78 Cent, in S.No. 474/1 out of the total extent of 3 Acre 97 cent, the undivided extent of 3 Acre, 63 cent, in S.No. 474/2, out of the total extent of 9 Acre 97 cent, the undivided extent of 6 Acre, 81 cent, S.No. 508/4, 1 Acre 30 Cent, S.No. 508/5, 2 Cent, Thus totally 43 Acres 15 Cent of Land and all other usual things attached to the land. The above-mentioned property having the Patta No. 692 and situated within the Panchayat Board Limits of Sankanthiradu Village.						
4.	Tirunelveli Taluk, in Sankanthiradu Village, (Ayan Punja Land) comprised in S.No. 515/1, 4 Acre 23 cent, S.No. 515/2, 3 Acre, 5 cent, S.No. 511/1 2 Acre, 77 Cent, S.No. 511/2 5 Acre 19 Cent, S.No. 472/1 in the toatal extent of 2 Acre 39 Cent the undivided extent of 2 Acre, S.No. 472/2 out of the total extent of 11 Acre 35 cent, the undivided extent of 4 Acre, Thus totally 21 Acres 24 Cent of Land and all other usual things attached to the land. The above-mentioned property having the Patta No. 692 and situated within the Panchayat Board Limits of Sankanthiradu Village.	Rajselva Agro Farms Private Limited	Lease deed as on March 07, 2022	53,100/- yearly	March 07, 2022	March 07, 2050	Solar Plant

INSURANCE POLICIES

Our Company maintains insurance against various risks inherent in our business activities. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. The following are the details of the insurance policies obtained by our Company:


Sr. No.	Name of the Insurance Policy Company	Type of Policy	Policy No.	Validity Period	Sum Insured (₹)	Premium Paid (₹) *
1.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000873	May 04, 2024, to May 03, 2025	16,00,000	42,740
2.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000875	May 04, 2024, to May 03, 2025	16,00,000	42,740
3.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000876	May 04, 2024, to May 03, 2025	16,00,000	42,740
4.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000877	May 04, 2024, to May 03, 2025	16,00,000	42,740
5.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000878	May 04, 2024, to May 03, 2025	16,00,000	42,740
6.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000879	May 04, 2024, to May 03, 2025	16,00,000	42,740
7.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000880	May 04, 2024, to May 03, 2025	16,00,000	42,740
8.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000869	May 04, 2024, to May 03, 2025	16,00,000	42,740
9.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000871	May 04, 2024, to May 03, 2025	16,00,000	42,740
10.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000872	May 04, 2024, to May 03, 2025	18,00,000	44,183
11.	The New India Assurance Company Limited	Commercial Vehicle Package Policy	73050131240100000148	April 03, 2024, to April 02, 2025	2,75,000	35,441
12.	The New India Assurance Company Limited	Private Car Package Policy	730501312301000012517	January 04, 2024, to January 03, 2025	56,700	43,152
13.	The New India Assurance Company Limited	Private Car Package Policy	73050131230100008558	September 22, 2023, to September 21, 2024	2,00,000	6,071
14.	The New India Assurance Company Limited	Private Car Package Policy	73050131230100002435	June 14, 2024, to June 13, 2025	1,20,000	4,979

Sr. No.	Name of the Insurance Policy Company	Type of Policy	Policy No.	Validity Period	Sum Insured (₹)	Premium Paid (₹) *
15.	The New India Assurance Company Limited	Private Car Package Policy	73050131230100012051	December 28, 2023, to December 27, 2024	21,00,000	24, 239
16.	The New India Assurance Company Limited	Private Car Package Policy	73050131230100008557	September 22, 2023, to September 21, 2024	5,50,000	11,934
17.	The New India Assurance Company Limited	Private Car Package Policy	73050131230300009892	October 24, 2023, to October 23, 2024	43,00,000	79,479
18.	The New India Assurance Company Limited	Private Car Package Policy	73050131230300009893	October 24, 2023, to October 23, 2024	43,00,000	92, 627
19.	The New India Assurance Company Limited	Private Car Package Policy	73050131230100005938	August 03, 2023, to August 02, 2024	13,00,000	23, 251
20.	HDFC ERGO General Insurance Company Limited	Private Car Comprehensive Policy	2302 2060 0495 0800 000	January 06, 2024, to January 05, 2025	44,95,785	91,182
21	HDFC ERGO General Insurance Company Limited	Private Car Comprehensive Policy	2302 2055 1400 9401 000	June 30, 2024, to June 29 2025	2,04,521	4,660
22.	The New India Assurance Company Limited	New India Bharat Flexi Laghu Udyam Suraksha	73050111239600000004	January 11, 2024, to January 10 2025	499,000,000	3,23,910
23.	The New India Assurance Company Limited	Standard Fire & Special Perils Policy	73050111230100000002	January 11, 2024, to January 10 2025	1,969,800,000	31,47,189
24.	Royal Sundaram General Insurance Co. Limited	Marine Cargo Sales Turn Over Policy	ST20005922000100	October 21, 2023, to October 20, 2024	5,00,00,000	11,80,001/-
25.	The New India Assurance Company Limited	New India Bharat Flexi Laghu Udyam Suraksha	73050111238700000008	January 01, 2024, to January 13, 2025	49,300,000	41,007
26.	The New India Assurance Company Limited	New India Bharat Flexi Laghu Udyam Suraksha	73050111238700000007	January 11, 2024, to January 10, 2025	49,300,000	41,007

(*Please note that the premium payable is inclusive of GST)

These insurance policies are reviewed periodically to ensure that the coverage is adequate. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and no assurance can be given that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of our insurance policies.

INTELLECTUAL PROPERTY

Sr. No.	Word/ Label/ Mark/Design*	Application No.	Class	Registration/App lication date	Status/ Validity
1.		4049554	16	January 08, 2019	Registered
<p><i>*The said Trademark belongs to Subam Papers Private Limited. The Company is in the process of changing its name from Subam Papers Private Limited to Subam Papers Limited in all its approvals.</i></p>					

CORPORATE SOCIAL RESPONSIBILITY

While we are focused on sustained financial performance, our Company has taken up corporate social responsibility (“CSR”) activities and has adopted a CSR policy in compliance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government.

CSR is applicable to the company since FY 2015-16. In terms of our CSR policy our CSR expenditure may be towards, amongst others, promoting health care, promoting education, promoting social welfare.

In the past three financial years, we have contributed or spent amount toward CSR activities. For further details, please refer to the section “**Financial Statements**” beginning on page 241 of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS OF THE COMPANY

As on the date of this Draft Red Herring Prospectus, our Company has availed both secured and unsecured loans. For further details, please refer to the section “**Statement of Financial Indebtedness**” beginning on page 241 of this Draft Red Herring Prospectus.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 2013 we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.

Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing Paper and Paperboards. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, its required to comply with various laws, statutes, rules, regulations, executive orders, amongst others, that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page number 247 of this Draft Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

A. ENVIRONMENTAL LEGISLATIONS:

The Environment Protection Act, 1986 and Environment (Protection) Rule, 1986

The Environment Protection Act was enforced in 1986 for the protection and improvement of the environment and to deal with prevention of hazards to human beings, other living creatures, plants and property. The rules framed under Act mandates Industrial units and corporates to act in a responsible manner to protect environment, ensure location and functioning of industries and manner of dealing with waste generation. Various Rules are notified to govern areas like waste prevention, minimization, reuse and recycle of municipal solid waste, industrial, agricultural and hazardous waste. Non- Compliance with the provisions of this Act, or the rules made or orders or directions issued thereunder attracts Penalty of imprisonment for five years or fine of one lakh rupees, or both. In case of continuing offense, the additional fine of five thousand rupees for every day. If the offense continues beyond a period of one year the imprisonment may extend to seven years.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

National Green Tribunal Act, 2010

The National Green Tribunal (NGT) Act, 2010 is an Act to provide for the establishment of a National Green Tribunal for the effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources including enforcement of any legal right relating to environment and giving relief and compensation for any damages caused to persons and properties.

Air (Prevention and Control of Pollution) Act, 1981 (the Air Act)

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control areas and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974 (the Water Act)

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution Control Boards constituted under this Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the Board constituted under this Act.

The Hazardous and other Wastes (Management & Trans-boundary Movement) Rules, 2016

Hazardous Waste Management Rules were notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use, reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and have been amended later in the years 2000, 2003 and with final notification of the Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules, 2008 in supersession of former notifications. The Rules lay down corresponding duties of various authorities such as the Ministry of Environment and Forests, Central Pollution Control Board, State/UT Govts., State Pollution Control Boards / Pollution Control Committees, Director General of Foreign Trade, Port Authority and Custom Authority. State Pollution Control Boards/ Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handling and their disposal.

B. OTHER KEY REGULATIONS PERTAINING TO THE BUSINESS

The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act, 2009 came into force on March 1, 2011. The Legal Metrology Act provides that the units of weights and measures must be in accordance with the metric system based on the international system of units, and prohibits quotations made otherwise. The Legal Metrology (General) Rules, 2011, which came into force on April 1, 2011, also provide the detailed specifications of standard weights and measures and the standard equipment. The Legal Metrology Act regulates the trade and commerce in weights and measures, and provides for the appointment of a director, controller and other legal metrology officers, and empowers them to undertake inspection or forfeiture to ensure compliance with its provisions. The Legal Metrology Act provides for imposition of penalty on use of non-standard, or unverified weights and measures, and for making any transaction, deal or contract in contravention of the standards of weights and measures. The Legal Metrology Act allows companies to nominate a person who will be held responsible for the breach of provisions of this legislation.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act was enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, Micro enterprise, where the investment in equipment does not exceed ten lakh rupees, Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

C. LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:

Shops and Establishments laws in various states

As per the provisions of local Shops and Establishments law applicable in the State of Tamil Nadu establishments are required to be registered. Such laws 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.

Stamp Act in various states

The purpose of the Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of Tamil Nadu is empowered to prescribe or alter the stamp duty as per their need.

Professions, Trade, Callings and Employments Act in various states

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Tamil Nadu is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and are also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

Classification of fire prevention and safety measures

Various states have issued rules under the Factories Act, 1948 specifying that no manufacturing process shall be started or carried on in any building, or part of a building until a certificate of stability of the building, or part of building in Form No. 2 signed by a person possessing the qualifications prescribed in sub-rule (4) has been delivered online to the Chief Inspector and accepted by him.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade licenses for operating eating outlets and implementation of regulations relating to such licenses along with prescribing penalties for non-compliance.

D. GENERAL CORPORATE LAWS:

Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of the President of India on 29th August 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private companies into public companies and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, winding up, voluntary winding up, and appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the

director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 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 buyers and sellers, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

The Registration Act, 1908

The Registration Act, 1908 (“Registration Act”) was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. The Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

The Indian Contract Act, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

The Specific Relief Act, 1963

The Specific Relief Act is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of the agreement, instead of imposing on him any monetary liability to pay damages to another party.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheques not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offense in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

E. TAX RELATED LEGISLATIONS:

Income Tax Act, 1961

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed for income tax under the IT Act is required to comply with the provisions thereof, including those relating to

Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

Goods and Services Tax Act, 2017

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

The Customs Act, 1962

The Customs Act of 1962 is the most crucial Act that provides for the implementation and collection of duty on goods imported and exported in the country. This Act also deals with the Import and Export procedures, Prohibitions on importation and exportation of goods, penalties, offences and much more.

F. EMPLOYMENT AND LABOUR LAWS:

The Factories Act, 1948

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. 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. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

- **Major Laws related to Wages**

The Payment of Wages Act, 1936

Payment of Wages Act, 1936, as amended by Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made thereunder.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

The Payment of Bonus Act, 1965

The Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

- **Major Laws relating to Occupational Safety, Health and Working Conditions**

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months, 20 or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour 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 Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

This law is applicable to all the establishments employing 5 or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed 5 or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

- **Major Laws related to Industrial Relations**

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. This Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provides for the constitution of grievance settlement machineries in any establishment having 20 or more workers.

Trade Unions Act, 1926

Provisions of the Trade Union Act, 1926 provide that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business etc.

- **Major Laws for Social Security of workmen**

Employee's Compensation Act, 1923

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employee's Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employee's Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 days of death/serious bodily injury.

Employee's State Insurance Act, 1948

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employers and employees both are required to make contributions to the fund. The return of the contribution made is required to be filed with the Employees' State Insurance Corporation.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees' Provident Scheme, 1952.

Maternity Benefit Act, 1961

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which 10 or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms 'sexual harassment' and 'workplace'

are both defined in the Act. Every employer should constitute an “Internal Complaints Committee” and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)

The CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

G. INTELLECTUAL PROPERTY RIGHTS

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is party to several international intellectual property related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights.

The Trade Marks Act, 1999 (“Trade Marks Act”)

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

Copyright Act, 1957 (“Copyright Act”)

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “Copyright Laws”) governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Computer programme constitutes a literary work under Indian law and is afforded copyright protection and the owner of such computer programme becomes entitled to protect his works against unauthorized use and misappropriation of the copyrighted work or a substantial part thereof. Any act of this nature entitles the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of sixty years from the demise of the author. Reproduction of a copyrighted computer programme for sale or hire or trade exhibit in public or distribution or commercial rental, offer for sale or commercial rental, issuing copy(ies) of the computer programme or making an adaptation of the work without consent of the copyright owner amounts to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

The Patents Act, 1970 (“Patents Act”)

The Patents Act, 1970 governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee. While the Patents Act prohibits patentability of a 'computer programme' as such, computer programmes in combination with novel hardware could be considered patentable depending on the substance of the invention and applicable provisions of the Patents Act. Computer programmes on their own are excluded from patent protection and are protected as a literary work under the Copyright Laws. In terms of the Patent Act, the patentee holds the exclusive right to prevent third parties from the using, offering for sale, selling or importing for such purposes, the patented product or product obtained directly by a process patented in India.

H. FOREIGN INVESTMENT LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It 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 government has also been given wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code ("IEC") number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.

Foreign Exchange Management Act, 1999 & Rules thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection of foreign exchange. The Government shall also issue an order of

detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbours any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India (“RBI”) also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

I. ANTI-TRUST LAWS

Competition Act, 2002

The Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect interest of consumers and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

J. GENERAL LAWS

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Transfer of Property Act, 1882, Information Technology Act, 2000 etc. are also applicable to the Company.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY AND CORPORATE PROFILE

Our Company was originally incorporated on October 06, 2004, as a Private Limited Company in the name of “Subam Papers Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on March 08, 2024, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Subam Papers Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on May 15, 2024 by the Registrar of Companies, Central Processing Centre.

The Corporate Identification Number of our Company is U21012TN2004PLC054403.

As on date of this Draft Red Herring Prospectus, our Company has Twenty-Five (25) shareholders.

Our Company is promoted by:

- 1) Mr. T Balakumar
- 2) Ms. Sudha Alagarsamy

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “*Our Business*”, “*Financial Statements as Restated*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 113, 224 and 225 respectively of this Draft Red Herring Prospectus.

ADDRESS OF REGISTERED OFFICE

Our company’s registered office situated at S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk - 627010, Tamil Nadu, India.

For Details on other locations of our Company, please see chapters titled, “*Our Business*” beginning on page 113.

CHANGES IN OUR REGISTERED OFFICE

At present our Registered Office is located at S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk - 627010, Tamil Nadu, India.

Prior to this, following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for change
D. No. 199/1A & 1B, Chinnakovilankulam Village, Sankarankovil Taluk, Tirunelveli District - 627953, Tamil Nadu	S.F.No. 143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk - 627010, Tamil Nadu, India	April 30, 2018	To increase Operational Efficiency

MAJOR EVENTS AND MILESTONES

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

Year	Particulars
2004	Incorporation of the Company
2005	Started its First Commercial Operation
2010	Installed Renewable Energy Windmill of capacity of 1.7 MW
2019	Received an award for excellence in Traffic Performance by V.O. Chidambaranar Port Trust, Tuticorin for importing highest number of TEUs as Consignee for year 2018-19
2019	Received FSC Certification from TÜV SÜV Czech, Accredited Certification Body

Year	Particulars
2021	Acquired a controlling shareholding in 'Subam Paper & Boards Private Limited', establishing it as our Subsidiary
2021	Commissioned paper products division of our subsidiary 'Subam Paper & Boards Private Limited'
2022	Commissioned Solar Power Plant of 10 MW
2023	Installed odour and fungus free paper plant
2023	Received EN ISO 9001:2015 certificate for manufacturing and marketing of packaging paper
2024	Commissioned another Solar Power Plant of 4 MW thereby increasing the total solar power capacity to 14 MW
2024	Acquired a controlling shareholding in 'Subam Paper & Boards Private Limited', establishing it as our Wholly-Owned Subsidiary
2024	Conversion of our company from Private Limited Company to Public Limited Company
2024	Declaration of Bonus Shares in the proportion of 9:1 i.e. Nine (9) Bonus Equity Share for every One (1) existing Equity Shares of the Company

MAIN OBJECTS OF OUR COMPANY

The object clause of the Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised in the present Issue.

Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum.

The main objects of our Company are:

- To carry on the business of manufacturers, importers, exporters and dealers in all kinds and classes of paper, board, corrugated board, corrugating medium and pulp including writing paper, printing, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, brown or buff paper, cartridge paper, cloth lines paper, azurelaid and wove paper, cream laid and wove paper, grease proof paper, gummed paper, handmade paper, parchment paper, drawing paper, kraft paper, manila paper, envelope paper, tracing paper, vellum paper, water proof paper, carbon paper, sensitised paper, chemically treated paper, paste board, duplex and triplex board, hard board, plywood board, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kinds of articles in the manufacture of which in any form paper, board, or pulp is used and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing.
- To carry on the business of manufacturers, importers, exporters and dealers in all kinds and classes of paper cones, paper tubes, cheese tubes and all other kinds of paper materials used for packaging.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Meeting	Nature of Amendment
March 08, 2024	EGM	Alteration of Name Clause: Alteration of name clause by way of conversion of company from Private Limited to Public Limited i.e., Change of name from "Subam Papers Private Limited" to "Subam Papers Limited".
May 06, 2024	EGM	Alteration of Capital Clause: Increase in Authorised Capital from ₹ 2,05,00,000.00 (Indian Rupees Two Crore Five Lakhs Only) divided into 20,00,000 Equity Share of ₹ 10.00 (Indian Rupees Ten Only) each and 50,000 12% Non-Cumulative Redeemable Preference Shares of ₹10.00 (Indian Rupees Ten Only) each to ₹ 25,05,00,000/- (Indian Rupees Twenty-Five Crore Five Lakh Only) divided into 2,50,00,000 Equity Share of ₹10.00 (Indian Rupees Ten Only) and 50,000 12% Non-Cumulative Redeemable Preference Shares of ₹10.00

Date of Meeting	Meeting	Nature of Amendment
		(Rupees Ten Only) each ranking pari passu in all respect with the existing Shares respectively.

DETAILS REGARDING ACQUISITION OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS

There has been no material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years except as mentioned below:

Acquisition:

1. Our Company has acquired 100% stake in the company named “Subam Paper and Boards Private Limited”, making it wholly-owned subsidiary of our Company.
2. Our Company has acquired 100% stake in the company named “Subam Agro Ventures Private Limited”, making it wholly-owned subsidiary of our Company.
3. Our Company has acquired 28.13% stake in the company named “Saradhambika Paper and Board Mills Private Limited”, making it an associate company of our Company.
4. Our Company has acquired 28.57% stake in the company name “B.M.M. Paper Board Private Limited”, making it an associate company of our Company.

DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE

Except as mentioned below, as on date of filing of this Draft Red Herring Prospectus, our Company does not have any Holding or Associate Company or Joint Venture or a Subsidiary company:

SUBAM AGRO VENTURES PRIVATE LIMITED (WHOLLY-OWNED SUBSIDIARY COMPANY)

(a) Brief History:

The company was originally incorporated in the name and style of Haji Agro Farm Private Limited on November 17, 2004. The name of the Company was changed to ‘Rajselva Agro Farms Private Limited’, and a Fresh Certificate of Incorporation pursuant to name change was issued on May 05, 2010, by the Assistant Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands. Further, the name of the Company was changed to ‘Subam Agro Ventures Private Limited’ and a Fresh Certificate of Incorporation pursuant to name change was issued on June 03, 2022 by the Registrar of Companies, Chennai. The CIN of the company is U01111TN2004PTC054666. The company has its registered office at No 143-146 Vaduganpatti Village, I.C. Pettai, Tirunelveli - 627010, Tamil Nadu, India.

(b) Business activities to be carried:

1. To carry on the business of agricultural, horticultural, floricultural, sericultural activities and the business of agro-farming, animal farming and to cultivate, grow, produce, buy, sell or deal in any plantation, agricultural crops, vegetables, fruits and fruit products, trees and timber of all kinds and to acquire by purchase, lease, concession, grant, licence or otherwise lands for cultivation and cultivate all crops, medicinal/ herbal plants, agricultural, horticultural, floricultural products including food grains, cereals, seeds, oil seeds, plants, flowers, vegetables, fruits and their preparations including processing, canning, packaging of fruits, vegetables, herbs and other vegetable products.
2. To carry on the business of producing, purchasing, selling, importing and exporting and dealing in all agricultural products, seeds, extracts, oils and other implements used in agricultural, plantation, farms and in industries connected with agriculture, horticulture, floriculture and sericulture.

(c) Capital Structure: Authorised Capital ₹ 5,00,000/- and Paid-up capital ₹ 5,00,000/-

(d) **Shareholders of the Company as on date of this Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Subam Papers Limited*	50,000	100.00
	Total	50,000	100.00

**49,999 Equity Shares are held by Subam Papers Limited and 1 Equity Share is held by Mr. T Balakumar as nominee on behalf of Subam Papers Limited, who is the beneficial owner of such Equity Shares.*

(e) There is no amount of accumulated profits or losses of the subsidiary(ies) not accounted for by the issuer.

SUBAM PAPER AND BOARDS PRIVATE LIMITED (WHOLLY-OWNED SUBSIDIARY COMPANY)

(a) **Brief History:**

The company was incorporated in the name and style of Subam Paper and Boards Private Limited on July 19, 2020. The CIN of the company is U21000TN2020PTC136504. The company has its registered office at S.F. No. 126,128,129,140,141,142 Vaduganpatti Village, IC Pettai, Tirunelveli - 627010, Tamil Nadu, India.

(b) **Business activities to be carried:**

1. To carry on the business of manufacturers, importers, exporters and dealers in all kinds and classes of paper, board, corrugated board, corrugating medium and pulp including writing paper, printing, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, brown or buff paper, cartridge paper, cloth lines paper, azurelaid and wove paper, cream laid and wove parchment paper, grease proof paper, gummed paper, handmade paper, drawing paper, kraft paper, manila paper, envelope paper, tracing paper, vellum paper, water proof paper, carbon paper, sensitized paper, chemically treated paper, paste board, duplex and triplex board, hard board, plywood board, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kinds of articles in the manufacture of which in any form paper, board, or pulp is used and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing.
2. To carry on the business of manufacturers, importers, exporters and dealers in all kinds and classes of paper cones, paper tubes, cheese tubes and all other kinds of paper materials used for packaging.
3. To generate electricity from non-conventional, renewable, co-generation and alternate energy sources.
4. To generate, accumulate, distribute or otherwise deal in electric energy by utilizing and exploiting natural resources like wind, biomass, biogas, solar rays, sea and ocean waves, ocean currents, and other such renewal energy resources and for this purpose, to establish, construct, install, operate, maintain power generating stations, wind turbine farms, solar power generating systems and such other power generating equipments. To generate electricity by non-conventional, co-generation and renewable energy resources for captive purpose or otherwise.

(c) **Capital Structure:** Authorised Capital ₹ 10,00,00,000/- and Paid-up capital ₹ 8,20,00,000/-

(d) **Shareholders of the Company as on date of this Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Subam Papers Limited*	82,00,000	100.00
	Total	82,00,000	100.00

**81,99,999 Equity Shares are held by Subam Papers Limited and 1 Equity Share is held by Mr. T Balakumar as nominee on behalf of Subam Papers Limited, who is the beneficial owner of such Equity Shares.*

(e) There is no amount of accumulated profits or losses of the subsidiary(ies) not accounted for by the issuer.

B.M.M. PAPER BOARD PRIVATE LIMITED (ASSOCIATE COMPANY)

(a) **Brief History:** The company was incorporated in the name and style of B.M.M. Paper Board Private Limited on August 28, 1998. The CIN of the company is U21011TN1998PTC041050. The company has its registered office at 527/7 Aelavankulam Road Sankarankovil-627 756, Tirunelveli District – 627756, Tamil Nadu, India.

(b) **Business activities to be carried:** To carry on the business of manufacturers, importers, exporters and dealers in all kinds and classes of paper, board, corrugated board, corrugating medium and pulp including writing paper, printing, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, brown or buff paper, cartridge paper, cloth lines paper, azurelaid and wove paper, cream laid and wove parchment paper, grease proof paper, gummed paper, handmade paper, drawing paper, kraft paper, manila paper, envelope paper, tracing paper, vellum paper, water proof paper, carbon paper, sensitized paper, chemically treated paper, paste board, duplex and triplex board, hard board, plywood board, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kinds of articles in the manufacture of which in any form paper, board, or pulp is used and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

(c) **Capital Structure:** Authorised Capital ₹ 25,00,000/- and Paid-up capital ₹ 21,00,000/-

(d) **Shareholders of the Company as on date of this Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Mr. T Balakumar	1,49,700	71.29
2	Ms. Alagarsamy Sudha	100	0.05
3	Mr. Kallamannaickanpatti Venkatasamy Tirupathi	100	0.05
4	Mr. S.S. Alagarsamy	100	0.05
5	Subam Papers Limited	60,000	28.57
	Total	2,10,000	100.00

(e) There is no amount of accumulated profits or losses of the subsidiary(ies) not accounted for by the issuer.

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED (ASSOCIATE COMPANY)

(a) **Brief History:** The company was incorporated in the name and style of Saradhambika Paper and Board Mills Private Limited on March 18, 1994. The CIN of the company is U02102TZ1994PTC004935. The company has its registered office at Sellakumarapalayam poulavakkalipalayam Gobichettipalayam - 638476, Tamil Nadu, India.

(b) **Business activities to be carried:**

1. To carry on the business as manufacturing of all varieties of paper, board, from conventional and non-conventional raw material.

2. To carry on the business as manufacturers and dealers in papers and Mill Boards of all kinds; and articles in which Paper and Mill Board is used: including Card Board and treatment of Paper and Mill Board or of such article as aforesaid.

3. To manufacture, export, import, distribute or sell in retail and wholesale, writing and printing paper, speciality paper: all varieties of boards and papers and board products, art paper, newsprint, drawing paper, filter paper, grease paper, insulation paper, kraft paper, cheque paper, absorbant paper, decorative laminate paper, coated paper, hard boards, soft boards, particle boards, bluemax, simplex, duplex and triplex boards, paper cones and tubes.

4. To carry on the business of printers, manufacturers of student note-book.

(c) **Capital Structure:** Authorised Capital ₹ 1,75,00,000/- and Paid-up capital ₹ 1,68,00,000/-

(d) **Shareholders of the Company as on date of this Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
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1	Mr. T Balakumar	74,625	44.42
2	Ms. Sudha Alagarsamy	46,000	27.38
3	Subam Papers Limited	47,250	28.13
4	Ms. Madhumitha Balakumar	125	0.07
	Total	1,68,000	100.00

(e) There is no amount of accumulated profits or losses of the subsidiary(ies) not accounted for by the issuer.

CAPACITY / FACILITY CREATION, LOCATION OF PLANTS

For information on our Company's business profile, Capacity and location of Plant, see chapters titled, "***Our Business***".

GUARANTEES PROVIDED BY OUR PROMOTERS

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by Promoters except as disclosed in the "***Statement of Financial Indebtedness***" on page 241 of this Draft Red Herring Prospectus.

CAPITAL RAISING (DEBT / EQUITY):

For details in relation to our capital raising activities through equity, please refer to the chapter titled "***Capital Structure***" beginning on page 60 of the Draft Red Herring Prospectus. For details of our Company's debt facilities, see "***Statement of Financial Indebtedness***" on page 241 of the Draft Red Herring Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY SINCE INCORPORATION

There have been no changes in the activities of our Company since incorporation which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled "***Our Management***" on page 184 of the Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS

There have been no defaults or rescheduling / restructuring of borrowings with financial institutions / banks in respect of borrowings of our Company.

INJUNCTION OR RESTRAINING ORDER

Except as disclosed in the section titled "***Outstanding Litigation and Material Developments***" beginning on page 267 of this Draft Red Herring Prospectus, there are no injunctions / restraining orders that have been passed against the Company.

LOCK OUTS AND STRIKES

There have been no lock outs or strikes at any of the units of our Company.

TIME AND COST OVER RUNS

Our Company has not implemented any projects and has therefore, not experienced any time or cost overrun in setting up of projects.

SHAREHOLDERS' AGREEMENTS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any Shareholders' Agreements.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY

Except as mentioned in Chapter titled '*Our Management*' beginning on page 184 of this Draft Red Herring Prospectus, there are no agreements entered into by key managerial personnel or senior management or a Directors or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

MATERIAL AGREEMENTS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled '*Our Business*' beginning on page 113 of this Draft Red Herring Prospectus.

Other Agreements:

- i. **Non-Compete Agreement:** Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Red Herring Prospectus.
- ii. **Joint Venture Agreement:** Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

STRATEGIC PARTNERS

As of the date of this Draft Red Herring Prospectus, our Company does not have any Strategic Partners.

FINANCIAL PARTNERS

As on the date of this Draft Red Herring Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

OUR MANAGEMENT

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Executive Director, 1 (One) as Non-Executive Directors and 2 (Two) as Independent Directors.

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

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>Mr. T Balakumar</p> <p>DOB: May 20, 1967</p> <p>Age: 57 Years</p> <p>Qualification: Bachelor of Mechanical Engineering</p> <p>Designation: Managing Director and Chairman</p> <p>Address: Plot No: B1, 23rd Cross Street, Maharajanagar, Tirunelveli-627011, Tamil Nadu, India</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>DIN: 00440500</p> <p>Term: Re-appointed as Managing Director and Chairman of the Company for a period of 5 years w.e.f. April 30, 2023, upto April 29, 2028.</p>	<p>Appointed as Managing Director of the Company w.e.f. October 06, 2004</p> <p>Cessation as Managing Director of the Company w.e.f. September 28, 2017.</p> <p>Appointed as Managing Director of the Company for a period of 5 years w.e.f. April 30, 2018, up to April 29, 2023.</p> <p>Re-appointed as Managing Director of the Company for a period of 5 years w.e.f. April 30, 2023, up to April 29, 2028.</p>	<p>Companies</p> <ul style="list-style-type: none"> • B.M.M. Paper Board Private Limited • Saradhambika Paper and Board Mills Private Limited • Subam Paper And Boards Private Limited • Subam Agro Ventures Private Limited • Sara Texcones Private Limited <p>Limited Liability Partnerships</p> <p>Nil</p>
<p>Mr. Ramasubbu Venkatesh</p> <p>DOB: May 15, 1967</p> <p>Age: 57 Years</p> <p>Qualification: Bachelor of Technology and Master of Business Administration</p> <p>Designation: Executive Director</p> <p>Address: Door No. 435/1, 8th Middle Street, Thiyagaraja Nagar, Palayamkottai, Maharajanagar,</p>	<p>Appointed as Additional Director of the Company w.e.f. January 06, 2016.</p> <p>Regularisation as Non- Executive Director of the Company for a period w.e.f. September 30, 2016.</p> <p>Change in Designation as Executive Director of the Company for a period w.e.f. March 08, 2024.</p>	<p>Companies</p> <p>Nil</p> <p>Limited Liability Partnerships</p> <p>Nil</p>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>Palayamkottai, Tirunelveli - 627011, Tamil Nadu, India,</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>DIN: 00951835</p> <p>Term: Liable to retire by rotation</p>		
<p>Ms. Sudha Alagarsamy</p> <p>DOB: July 01, 1969</p> <p>Age: 55 Years</p> <p>Qualification: Bachelor of Science and Master of Arts</p> <p>Designation: Non-Executive Director</p> <p>Address: D. No. 14, 23rd Cross Street, Maharaja Nagar, Tirunelveli – 627006, Tamil Nadu, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>DIN: 01515113</p> <p>Term: Liable to retire by rotation</p>	<p>Appointed as Whole-Time Director of the Company w.e.f. October 06, 2004</p> <p>Cessation as Whole-Time Director of the Company w.e.f. September 28, 2017.</p> <p>Appointed as Whole-Time Director of the Company for a period of 5 years w.e.f. April 30, 2018, up to April 29, 2023.</p> <p>Re-appointed as Whole-Time Director of the Company for a period of 5 years w.e.f. April 30, 2023, up to April 29, 2028.</p> <p>Change in Designation as Non-Executive Director of the Company for a period w.e.f. March 08, 2024.</p>	<p>Companies</p> <ul style="list-style-type: none"> • Saradhambika Paper And Board Mills Private Limited • Sara Texcones Private Limited • B.M.M. Paper Board Private Limited • Subam Paper And Boards Private Limited <p>Limited Liability Partnerships</p> <p>Nil</p>
<p>Mr. Gurusamy Rathakrishna</p> <p>DOB: August 23, 1968</p> <p>Age: 55 Years</p> <p>Qualification: Bachelor of Mechanical Engineering</p> <p>Designation: Independent Director</p> <p>Address: D FRF1 Royal Skyline Apartment, Narayana Avenue, Krishna Colony, Coimbatore South – 641005, Tamil Nadu, India.</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>DIN: 01759564</p>	<p>Appointed as Independent Director of the Company w.e.f. March 23, 2024, for a term of five consecutive years.</p>	<p>Companies</p> <ul style="list-style-type: none"> • Shrish Spintex Private Limited • Grass Energies Private Limited • Shreemtk Cotton And Fibers Private Limited • Shree M.T.K. Textiles private limited • Nesina Ventures Private Limited <p>Limited Liability Partnerships</p> <p>Nil</p>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>Term: Appointed as Independent Director of the Company w.e.f. March 23, 2024 for a term of five consecutive years.</p>		
<p>Mr. Chelladurai Gunasingh Prithiviraj</p> <p>DOB: April 24, 1947</p> <p>Age: 77 years</p> <p>Qualification: Bachelor of Science</p> <p>Designation: Independent Director</p> <p>Address: Old No. 17A, New No. 44 North Highground Road, Palayankottai, Tamil Nadu – 627002, India.</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>DIN: 00168538</p> <p>Term: Appointed as Independent Director of the Company w.e.f. March 23, 2024, for a term of five consecutive years.</p>	<p>Appointed as Independent Director of the Company w.e.f. March 23, 2024, for a term of five consecutive years.</p>	<p>Companies</p> <ul style="list-style-type: none"> • Bell Pins Private Limited • Nalco Metal Products Ltd • Bell Products Private Limited • Chellsons Wire Mills Private Limited • Darlingsons Wire Forms Private Limited • The Metal Powder Company Limited • Aluminium Powder Company Limited • Lily Pins Private Limited • Bell Health Care Private Limited • Pandian Chemicals Limited • MDL Industries Limited • Standard Paper Containers Private Limited • Tirunelveli Spun Pipes Private Limited <p>Limited Liability Partnerships</p> <p>Nil</p>

BRIEF PROFILE OF OUR DIRECTORS

Mr. T Balakumar, aged 57 years, is the Promoter, Managing Director and Chairman of our Company. He was appointed as Managing Director since incorporation of our Company. Further, he ceased as the Managing Director of the Company w.e.f. September 28, 2017. Later, He was appointed as Managing Director of the Company for a period of 5 years w.e.f. April 30, 2018, up to April 29, 2023, and further he was re-appointed as Managing Director of the Company for a period of 5 years w.e.f. April 30, 2023, up to April 29, 2028. He has a degree of Bachelor of Mechanical Engineering from P.S.G College of Technology, Coimbatore in the year 1989. He has more than 19 years of experience in the Paper Industry. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds.

Mr. Ramasubbu Venkatesh, aged 57 years, is the Executive Director of the Company. He was appointed as Additional Director of the Company w.e.f. January 06, 2016. Further by approval of shareholder resolution dated September 30, 2016, he was regularised as Non-Executive Director of the Company. Further his designation was changed to Executive Director w.e.f. March 08, 2024. He has a degree of Bachelor in Textile Technology from P.S.G College of Technology, Coimbatore in the year 1997. He also holds degree of Master of Business Management from Madurai Kamaraj University in the year 2001 and a post diploma in Quality Management in the year 1995. He has more than 8 years of experience in the Paper Industry. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations and is involved in day-to-day operations of the company. He has been responsible for the sales and marketing.

Ms. Sudha Alagarsamy, aged 55 years, is the Promoter and Non-Executive Director of the Company. She was appointed as Whole-Time Director at incorporation of our Company. Later she ceased from her position as a Whole-Time Director of the Company w.e.f September 28, 2017 and got Appointed as Whole-Time Director of the Company for a period of 5 years w.e.f. April 30, 2018, up to April 29, 2023. Furthermore, she was re-appointed as Whole-Time Director of the Company for a period of 5 years w.e.f. April 30, 2023, up to April 29, 2028. Lastly there was a change in designation as Non- Executive Director of the Company w.e.f. March 08, 2024. She holds a degree of Bachelor of Science in Mathematics from Madurai Kamaraj University in the year 1989 and also a Master of Arts Degree from Madurai Kamaraj University in the year 1991. She has more than 19 years of experience in the Paper Industry. When she was a Whole-Time Director her role in the company included overseeing whether company's programmes are being executed in right direction as per its aim and objectives, recommended business policies to the board governing the company, established long-term business plans for supporting the vision and values of the company. Currently, as Non-Executive Director, she is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

Mr. Gurusamy Rathakrishna, aged 55 years, is the Independent Director of the Company w.e.f March 23, 2024, for a term of five consecutive years. He holds a degree of Bachelor of Mechanical Engineering from Bangalore University in the year 1992. He is a Managing Director in M.T.K. Textiles (P) Limited and has more than 30 years of experience in the field of management, operations and finance. He has vast knowledge in textile industry. He is guiding the Company with his Independent view and impartial opinion.

Mr. Chelladurai Gunasingh Prithiviraj, aged 77 years, is the Independent Director of the Company w.e.f March 23, 2024, for a term of five consecutive years. He holds a degree of Bachelor of Science in Zoology and Botany from University of Madras in the year 1966. He is a Director in Standard Paper Containers Private Limited since 1968 and has more than 55 years of experience in paper industry. He is guiding the Company with his Independent view and impartial opinion.

CONFIRMATIONS

- a) Except as stated below, none of the Directors and Key Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Sr. No.	Name of Director	Name of Director	Relationship
1.	Mr. T Balakumar	Ms. Sudha Alagarsamy	Husband-Wife

- b) There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.
- c) There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- d) As on the date of this Draft Red Herring Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- e) As on the date of this Draft Red Herring Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- f) As on the date of this Draft Red Herring Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- g) As on the date of this Draft Red Herring Prospectus, none of our director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- h) As on the date of this Draft Red Herring Prospectus, none of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in

control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

- i) No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration payable by our Company to our Directors for upcoming financial years:

<i>(₹ in Lakh)</i>		
Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. T Balakumar	48.00
2.	Mr. Ramasubbu Venkatesh	30.00
	Total	78.00

Remuneration paid for F.Y. 2023-24, the directors have been paid gross remuneration as follows:

<i>(₹ in Lakh)</i>		
Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. T Balakumar	0.00
2.	Mr. Ramasubbu Venkatesh	27.00
3.	Ms. Sudha Alagarsamy	10.00
	Total	37.00

TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

Mr. T Balakumar

Mr. T Balakumar is the Managing Director and Chairman of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 184 of this Draft Red Herring Prospectus.

The significant terms of his employment are as below:

Remuneration	Upto ₹ 48.00 Lakh per annum
Bonus and Profit-sharing Ratio	Not Applicable
Term	Appointed as Managing Director and Chairman for a period of 5 (five) years commencing from April 30, 2023.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

Mr. Ramasubbu Venkatesh

Mr. Ramasubbu Venkatesh is the Executive Director of the Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 184 of this Draft Red Herring Prospectus.

The significant terms of his employment are as below:

Remuneration	Upto ₹ 30.00 Lakh per annum
Bonus and Profit-sharing Ratio	Not Applicable
Term	Appointed as Executive Director w.e.f. March 08, 2024.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during her tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

SITTING FEES

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee
1.	Ms. Sudha Alagarsamy	₹ 20,000/- per Meeting	₹ 20,000/- per Meeting
2.	Mr. Gurusamy Rathakrishna	₹ 20,000/- per Meeting	₹ 20,000/- per Meeting
3.	Mr. Chelladurai Gunasingh Prithiviraj	₹ 20,000/- per Meeting	₹ 20,000/- per Meeting

PAYMENT OF BENEFITS

Except to the extent of remuneration payable to the Managing Director & Executive Director for services rendered to our Company and to the extent of fees payable to the Non-Executive Director for the professional services provided by her and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Draft Red Herring Prospectus, and does not intend to pay, any amount or benefits to our directors.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, since the incorporation, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

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

REMUNERATION PAID TO OUR DIRECTORS BY OUR SUBSIDIARIES

As on date of this Draft Red Herring Prospectus, our Company have two subsidiaries i.e. Subam Paper and Boards Private Limited & Subam Agro Ventures Private Limited. However, no remuneration is paid to our directors by our subsidiary.

BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

None of our Directors are a party to any bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Draft Red Herring Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
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1	Mr. T Balakumar	84,57,700	49.52
2	Ms. Sudha Alagarsamy	28,66,450	16.78
3	Mr. Ramasubbu Venkatesh	64,000	0.37
4	Mr. Gurusamy Rathakrishna	NIL	0.00
5	Mr. Chelladurai Gunasingh Prithiviraj	NIL	0.00
	Total	1,13,88,150	66.68

SHAREHOLDING OF DIRECTORS IN OUR SUBSIDIARY

As on date of this Draft Red Herring Prospectus, our Company have two subsidiaries i.e. Subam Paper and Boards Private Limited & Subam Agro Ventures Private Limited. Shareholding of directors in our subsidiary is as mentioned below:

For Subam Paper and Boards Private Limited

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Subam Papers Limited	81,99,999	99.99
2.	Mr. T Balakumar*	1	0.01
	Total	82,00,000	100.00

*81,99,999 Equity Shares are held by Subam Papers Limited and 1 Equity Share is held by Mr. T Balakumar as nominee on behalf of Subam Papers Limited, who is the beneficial owner of such Equity Shares.

For Subam Agro Ventures Private Limited

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Subam Papers Limited	49,999	100.00
2.	Mr. T Balakumar*	1	0.01
	Total	50,000	100.00

*49,999 Equity Shares are held by Subam Papers Limited and 1 Equity Share is held by Mr. T Balakumar as nominee on behalf of Subam Papers Limited, who is the beneficial owner of such Equity Shares.

INTEREST OF OUR DIRECTORS

Our Managing Director & Executive Directors may be interested to the extent of remuneration paid to them, respectively for services rendered as a Directors of our Company and reimbursement of expenses payable to them. Our Non-Executive Director may be interested to the extent of payment made to him for the professional services rendered to the company. For details, please refer “*Terms and conditions of employment of our Managing Director and Executive Directors*” above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof.

Mr. T Balakumar, Mr. Ramasubbu Venkatesh and Ms. Sudha Alagarsamy, may be deemed to be interested in the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them if any.

Interest in promotion of our Company

Except Mr. T Balakumar and Ms. Sudha Alagarsamy and none of our Directors have any interest in the promotion or formation of our Company as of the date of this Draft Red Herring Prospectus.

Interest in the property of our Company

Except as stated in the chapter titled “*Related Party Transaction*” beginning on page 224 of Draft Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled “*Our Properties*” under the chapter titled “*Our Business*” beginning on page 113 of this Draft Red Herring Prospectus.

Interest as Creditor of our Company

As on the date of this Draft Red Herring Prospectus, except as stated in the chapter titled “*Statement of Financial Indebtedness*” and heading titled “*Related Party Transactions*” under chapter titled “*Financial Statements as Restated*”, our Company has not availed loans from Directors of our Company.

Interest in the business of Our Company

Further, save and except as stated otherwise in “*Statement of Related Parties’ Transactions*” in the chapter titled “*Financial Statements as Restated*” of this Draft Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest in transactions involving acquisition of land

Except as stated / referred to under the heading titled “*Our Properties*” under chapter titled “*Our Business*” beginning on page 113 of this Draft Red Herring Prospectus, our directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Interest as Member of a Company or Firm

Except as stated in this chapter the section titled “*Related Party Transactions*” and the chapter “*Our Business*” beginning on page 224 and 113 of this Draft Red Herring Prospectus respectively, our Directors do not have any other interest in our business.

Other Interests

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer chapters titled “*Financial Statements as Restated*” and “*Related Party Transactions*” beginning on page 224 and 184 of this Draft Red Herring Prospectus.

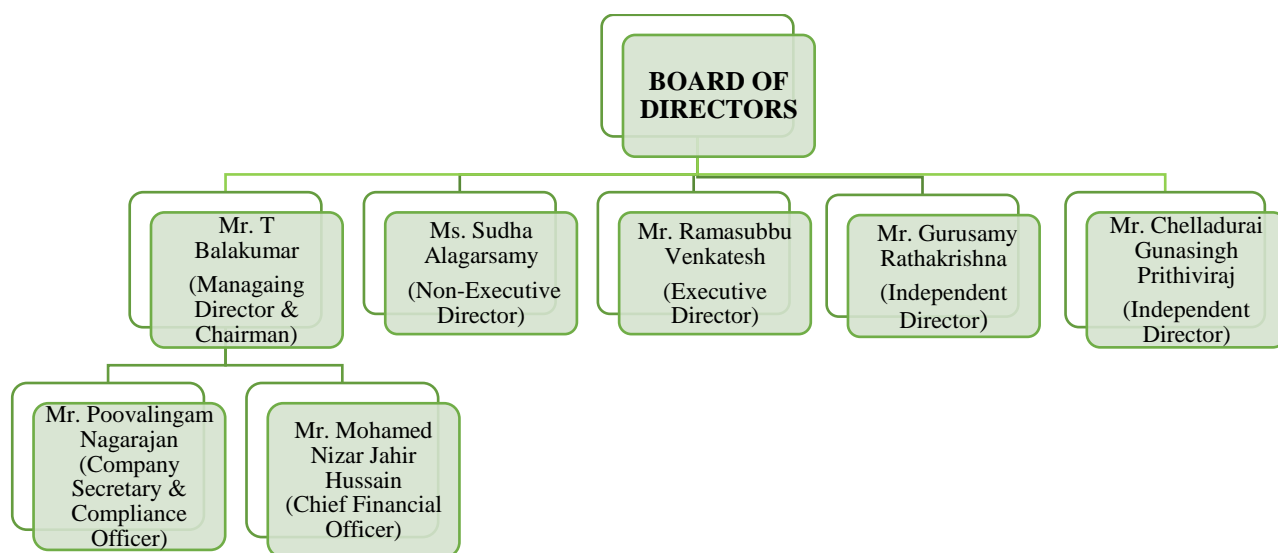
CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

Sr. No.	Directors	Date of Event	Event	Reason
1.	Mr. T Balakumar	April 30, 2023	He was re-appointed as a Managing Director of the Company for a period of 5 years	Restructuring of Board of Directors
2.	Ms. Sudha Alagarsamy	April 30, 2023	She was re-appointed as a Whole-Time Director of the Company for a period of 5 years	
3.	Mr. Balagurunathan Perumalswamy	February 03, 2024	Cessation as Director	Resignation due to personal reasons

Sr. No.	Directors	Date of Event	Event	Reason
4.	Ms. Madhumitha Balakumar	February 03, 2024	Cessation as Director	Resignation due to personal reasons
5.	Mr. Ramasubbu Venkatesh	March 08, 2024	His designation was changed from Non-Executive Director to Executive Director	Restructuring of Board of Directors
6.	Ms. Sudha Alagarsamy	March 08, 2024	Her designation was changed from Whole-Time Director to Non-Executive Director	
7.	Mr. Gurusamy Rathakrishna	March 23, 2024	He is appointed as Independent Director	Corporate Governance
8.	Mr. Chelladurai Gunasingh Prithiviraj	March 23, 2024	He is appointed as Independent Director	

ORGANISATION STRUCTURE



BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on May 18, 2024 our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 30,000 Lakhs over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

Except as disclosed in this Draft Red Herring Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

- Policy on Code of Conduct for Directors and Senior Management
- Policy of Audit Committee

- c) Policy of Nomination and Remuneration Committee
- d) Policy of Stakeholder Relationship Committee
- e) Policy of Internal Complaint Committee
- f) Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- g) Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- h) Policy on Whistle Blower and Vigil Mechanism
- i) Policy on Related Party Transactions (RPT)
- j) Policy for Preservation of Documents and Archival of Documents
- k) Policy for Prevention of Sexual Harassment
- l) Policy on Materiality for Disclosures of events to Stock Exchanges
- m) Policy on Code of Independent Directors and Familiarization of Independent Director
- n) Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoter and other Group Companies
- o) Policy on Material Outstanding due to the Creditors
- p) Policy on Corporate Social Responsibility

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, there are 5 (Five) Directors on our Board out of which one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

COMMITTEES OF OUR BOARD

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Internal Complaints Committee

Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on May 17, 2024.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Gurusamy Rathakrishna	Chairman	Independent Director
2	Mr. Chelladurai Gunasingh Prithiviraj	Member	Independent Director
3	Mr. T Balakumar	Member	Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

Meetings of Audit Committee and Quorum

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

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

Role of Audit Committee

The role of the Audit Committee shall include the following:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
- c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- d) Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- e) 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 clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
 - 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;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with SEBI Listing Regulations 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.
- f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
- g) 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;

- h) Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
- i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- j) Scrutinizing of inter-corporate loans and investments;
- k) Valuing of undertakings or assets of the Company, wherever it is necessary;
- l) Evaluating of internal financial controls and risk management systems;
- m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- o) 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;
- p) Discussing with internal auditors of any significant findings and follow up there on;
- q) 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;
- r) Discussing 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;
- s) 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;
- t) Reviewing the functioning of the whistle blower mechanism;
- u) Approving the appointment of the Chief Financial Officer (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; and
- v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
- w) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- x) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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

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

Stakeholders' Relationship Committee

Our Company has constituted a shareholder / investors grievance committee "Stakeholders' Relationship Committee" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on May 17, 2024.

The Stakeholders' Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Chelladurai Gunasingh Prithiviraj	Chairman	Independent Director
2	Mr. Gurusamy Rathakrishna	Member	Independent Director

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
3	Ms. Sudha Alagarsamy	Member	Non-executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

Tenure

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

Meetings

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

Role of the Stakeholders' Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on May 17, 2024.

The Nomination and Remuneration Committee comprises the following Directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Gurusamy Rathakrishna	Chairman	Independent Director
2	Mr. Chelladurai Gunasingh Prithiviraj	Member	Independent Director
3	Ms. Sudha Alagarsamy	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

Tenure

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

Role of the Nomination and Remuneration Committee not limited to but includes:

- a) Formulating 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;
- b) Formulating of criteria for evaluation of performance of independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors of our 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. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
- e) 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.;
- f) Recommend to the board, all remuneration, in whatever form, payable to senior management.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has re-constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated May 17, 2024. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Corporate Social Responsibility Committee comprises the following members:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Gurusamy Rathakrishna	Chairman	Independent Director
2	Mr. T Balakumar	Member	Managing Director
3	Mr. Ramasubbu Venkatesh	Member	Executive Director

Role of the Corporate Social Responsibility Committee not limited to but includes:

We further confirm that atleast one Director is an Independent Director.

Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.

Measures

In the aforesaid backdrop, policy on CSR of Subam Papers Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Subam Papers Limited , as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Subam Papers Limited employees or their family members shall not be considered as CSR activity.

Subam Papers Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Subam Papers Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Subam Papers Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

- a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- e) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- f) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- g) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- h) Contribution to the Prime Minister's National Relief Fund or or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- j) Rural development projects;
- k) Slum area development;
- l) Disaster management, including relief, rehabilitation and reconstruction activities.

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

Organisational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR Committee shall –

- a) Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- b) Recommend the amount of expenditure to be incurred on the activities; and
- c) Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Subam Papers Limited provide the vision under the leadership of its Managing Director and Chairman, Mr. T Balakumar.

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities / projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

Activities, setting measurable targets with timeframes and performance management:

Prior to the commencement of CSR activities / projects, we carry out a baseline study of the nearby area / villages of the Company's Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities / projects of CSR are assessed under the agreed strategy, and are monitored every quarter / year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director / Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

Internal Complaints Committee

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated May 17, 2024. The Internal Complaints consists of the following members.

Sr. No.	Name	Status in Committee	Gender
1.	Ms. M. Esakkiammal	Presiding officer	Female
2.	Ms. S. Priya	Member	Female
3.	Mr. Ayyappan	Member	Male
4.	Ms. M. Subbulakshmi	Member (External)	Female

A complainant can approach any member of the committee with her written complaint.

Tenure

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

Scope

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

What Constitutes Sexual Harassment?

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

- a) A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
- b) Eve teasing, innuendos and taunts, physical confinement against one's will;
- c) A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
- d) An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
- e) Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
- f) Any other behaviour which an individual perceives as having sexual overtones.

Redressal Mechanism:

Once the complaint is received by the Committee:

- a) The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- b) The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- c) The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- d) If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- e) The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- f) The Committee shall call upon all witnesses mentioned by both the parties.

- g) The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.
- h) The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
 - a) The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.
 - b) The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer / District Officer.

Disciplinary Action:

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI PIT Regulations”) will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited (“BSE SME”). We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

Sr. No	Name of the KMPs	Designation
1.	Mr. T Balakumar	Managing Director and Chairman
2.	Mr. Mohamed Nizar Jahir Hussain	Chief Financial Officer
3.	Mr. Poovalingam Nagarajan	Company Secretary & Compliance Officer

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL:

Mr. T Balakumar –Managing Director and Chairman

Mr. T Balakumar is the Managing Director and Chairman of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 184 of this Draft Red Herring Prospectus.

Mr. Mohamed Nizar Jahir Hussain - Chief Financial Officer

Mr. Mohamed Nizar Jahir Hussain, aged 59 years, is the Chief Financial Officer of our Company. He is associated with the Company since December 02, 2013 as an Accountant Manager. He was later promoted to Chief Financial Officer of our Company at the meeting of the Board of Directors with effect from March 08, 2024.

Qualification	He holds a degree of Master of Commerce from Madurai Kamaraj University in the year 1992.
Experience	He has more than 10 years of experience in the field of accounting, taxation and finance.
Term of Office with expiration Date	Appointed as Chief Financial Officer with effect from March 08, 2024
Details of service contract	Not Applicable
Function and areas of experience	Responsible for complying with accounting, taxation and finance

Mr. Poovalingam Nagarajan– Company Secretary & Compliance Officer

Mr. Poovalingam Nagarajan, aged 49 years, is the Company Secretary & Compliance Officer of our Company. He was appointed as the Company Secretary & Compliance Officer of our Company at the meeting of the Board of Directors with effect from April 05, 2024.

Qualification	He is a qualified Company Secretary from the Institute of Company Secretaries of India.
Experience	He did his apprenticeship training from R. K. Babulal and Associates from 2008-2010 he was later promoted as Senior Manager in R. K. Babulal and Associates from 2010-2013. He was further appointed as Secretarial Assistant in a PCS Firm S.S. Vignesh from 2014-2015. Further he joined PSA SICAL Terminals Limited as a Company Secretary from 2019-2021.

Term of Office with expiration Date	Appointed as Company Secretary & Compliance Officer with effect from April 05, 2024.
Details of service contract	Not Applicable
Function and areas of experience	Responsible for complying with Laws, rules, provisions, regulations, acts applicable to the company.

STATUS OF KEY MANAGERIAL PERSONNEL

All our Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the above-mentioned key managerial personnel are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

Except as given below, none of the above-mentioned key managerial personnel are related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No.	Name of Director/KMP	Name of Director	Relationship
1.	Mr. T Balakumar	Ms. Sudha Alagarsamy	Husband-Wife

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Draft Red Herring Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company.

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. T. Balakumar	84,57,700	49.52
2.	Mr. Mohamed Nizar Jahir Hussain	NIL	0.00
3.	Mr. Poovalingam Nagarajan	NIL	0.00
	Total	84,57,700	49.52

REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2024:

<i>(₹ in Lakh)</i>			
Sr. No.	Name of KMPs	Designation	Remuneration paid
1.	Mr. T Balakumar	Managing Director & Chairman	NIL
2.	Mr. Mohamed Nizar Jahir Hussain	Chief Financial Officer*	0.68
3.	Mr. Poovalingam Nagarajan	Company Secretary & Compliance Officer**	NIL
	Total		0.68

*Appointed as Chief Financial Officer of the Company w.e.f. March 08, 2024.

**Appointed as Company Secretary & Compliance Officer w.e.f April 05, 2024.

The aforementioned KMP's are on the payrolls of our Company as permanent employees.

BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As on the date of this Draft Red Herring Prospectus, our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Draft Red Herring Prospectus.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as stated in the Draft Red Herring Prospectus, there is no loan outstanding against Key Managerial Personnel as on date of this Draft Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and may also be interested to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Draft Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled ***“Related Party Transactions”*** under the Section titled ***“Financial Statements as Restated”*** beginning on page 224 of this Draft Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name	Date of Event	Event	Reason
1.	Mr. T Balakumar	April 30, 2018	Appointed as Managing Director	Corporate Restructuring
2.	Mr. Mohamed Nizar Jahir Hussain	March 08, 2024	Appointed as Chief Financial Officer	Corporate Governance
3.	Mr. Poovalingam Nagarajan	April 05, 2024	Appointed as Company Secretary and Compliance Officer	Corporate Governance

EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Draft Red Herring Prospectus.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled ***“Financial Statements as Restated”*** beginning on page 224 of this Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled ***“Our History and Certain Other Corporate Matters”*** beginning on page 184 of this Draft Red Herring Prospectus.


OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company is Mr. T Balakumar and Ms. Sudha Alagarsamy

As on the date of this Draft Red Herring Prospectus, Our Promoters holds an aggregate of 1,13,24,150 Equity Shares, representing 66.30% of the Pre-Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on page 60 of this Draft Red Herring Prospectus.

BRIEF PROFILE OF OUR INDIVIDUAL PROMOTERS

	<p>Mr. T Balakumar, aged 57 years, is the Promoter, Managing Director and Chairman of our Company. He was appointed as Managing Director since incorporation of our Company. Further, he ceased as the Managing Director of the Company w.e.f. September 28, 2017. Later, He was appointed as Managing Director of the Company for a period of 5 years w.e.f. April 30, 2018, up to April 29, 2023, and further he was re-appointed as Managing Director of the Company for a period of 5 years w.e.f. April 30, 2023, up to April 29, 2028. He has a degree of Bachelor of Mechanical Engineering from P.S.G College of Technology, Coimbatore in the year 1989. He has more than 19 years of experience in the Paper Industry. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds.</p>
	<p>Qualification: Bachelor of Mechanical Engineering</p>
	<p>Date of Birth: May 20, 1967</p>
	<p>Age: 57 Years</p>
	<p>Residential Address: Plot No: B1, 23rd Cross Street, Maharajanagar, Tirunelveli, Tamil Nadu - 627011, India.</p>
	<p>Nationality: Indian</p>
	<p>PAN: AAVPB2982K</p>
	<p>Directorship Held:</p> <ul style="list-style-type: none">• B.M.M. Paper Board Private Limited• Saradhambika Paper and Board Mills Private Limited• Subam Paper and Boards Private Limited• Subam Agro Ventures Private Limited• Sara Texcones Private Limited

For the complete profile of Mr. T Balakumar - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management*" on page 184 of this Draft Red Herring Prospectus.



Ms. Sudha Alagarsamy, aged 55 years, is the Promoter and Non-Executive Director of the Company. She was appointed as Whole-Time Director at incorporation of our Company. Later she ceased from her position as a Whole-Time Director of the Company w.e.f September 28, 2017 and got Appointed as Whole-Time Director of the Company for a period of 5 years w.e.f. April 30, 2018, up to April 29, 2023. Furthermore, she was re-appointed as Whole-Time Director of the Company for a period of 5 years w.e.f. April 30, 2023, up to April 29, 2028. Lastly there was a change in designation as Non- Executive Director of the Company w.e.f. March 08, 2024. She holds a degree of Bachelor of Science in Mathematics from Madurai Kamaraj University in the year 1989 and also a Master of Arts Degree from Madurai Kamaraj University in the year 1991. She has more than 19 years of experience in the Paper Industry. When she was a Whole-Time Director her role in the company included overseeing whether company's programmes are being executed in right direction as per its aim and objectives, recommended business policies to the board governing the company, established long-term business plans for supporting the vision and values of the company. Currently, as Non-Executive Director, she is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

Qualification: Bachelor of Science and Master of Arts

Date of Birth: July 01, 1969

Age: 55 Years

Residential Address: D. No. 14, 23rd Cross Street, Maharaja Nagar, Tirunelveli – 627006, Tamil Nadu, India.

Nationality: Indian

PAN: AJGPS0973D

Directorship Held:

- Saradhambika Paper and Board Mills Private Limited
- Sara Texcones Private Limited
- B.M.M. Paper Board Private Limited
- Subam Paper and Boards Private Limited

For the complete profile of Ms. Sudha Alagarsamy - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see "***Our Management***" on page 184 of this Draft Red Herring Prospectus.

DECLARATION

We declare and confirm that the details of the Aadhaar Card Number, Driving License Number, Passport Number and Bank Account Number of our Promoters will be submitted to the Stock Exchange i.e., SME Platform of BSE Limited (“BSE SME”), where the Equity Shares are proposed to be listed at the time of filing this Draft Red Herring Prospectus.

UNDERTAKING / CONFIRMATIONS

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 267 of this Draft Red Herring Prospectus.
- None of our Promoter is person in control of our Company are or have ever been a promoters, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page 184 of this Draft Red Herring Prospectus.

INTEREST OF OUR PROMOTERS

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see “*Capital Structure*” on page 60 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled “*Related Party Transactions*” in chapter “*Financial Statements as Restated*” on page 224 of this Draft Red Herring Prospectus.

Interest in promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest in the property, land, construction of building, supply of machinery, etc.

Except as mentioned in the chapter titled ***‘Our Business’*** beginning on page 113 of this Draft Red Herring Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoters

Except as mentioned in this chapter and chapters titled ***“Our Business”, “History and Certain Corporate Matters”, “Our Management” and “Restated Financial Statements”*** beginning on page 113, 184, 184 and 224, respectively, our Promoter do not have any other interest in our Company.

Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years

Except as stated above in chapters ***“Financial Statements as Restated”*** beginning on page 224 of this Draft Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Draft Red Herring Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

COMMON PURSUITS OF OUR PROMOTERS

Except as disclosed below, our Promoters is not involved with any ventures which are in the same line of activity or business as that of our Company.

Sr. No	Name of Entity
1.	Mayura Packaging Private Limited
2.	Sara Texcones Private Limited
3.	Unicone (Proprietorship Firm of Mr. T Balakumar)

MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

Except as stated in the ***“Financial Statements as Restated”*** beginning on page 224 of this Draft Red Herring Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS

Our Promoters are Mr. T Balakumar and Ms. Sudha Alagarsamy and have an experience of more than 19 years in the paper industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please see the chapter titled ***“Capital Structure – Notes to Capital Structure”*** beginning on page 60 of this Draft Red Herring Prospectus.

LITIGATION INVOLVING OUR PROMOTERS

For details relating to legal proceedings involving the Promoters, please refer “*Outstanding Litigation and Material Developments*” beginning on page 267 of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

Except as stated in “*Annexure XXX –“Related Party Transactions”*” beginning on page 184 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of Promoters	Name of Entity	Reason for Disassociation	Date of Disassociation
1	Mr. T Balakumar*	Subam Paper and Boards Private Limited	Mr. T Balakumar and Ms. Sudha Alagarsamy disinvested their entire shareholding by transferring the Equity Shares to Subam Papers Limited thereby making Subam Paper and Boards Private Limited as a Wholly-Owned Subsidiary of Subam Papers Limited.	May 14, 2024
2	Ms. Sudha Alagarsamy			

*81,99,999 Equity Shares are held by Subam Papers Limited and 1 Equity Share is held by Mr. T Balakumar as nominee on behalf of Subam Papers Limited, who is the beneficial owner of such Equity Shares.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 is as under:

A. Natural Persons who form part of our Promoter Group:

Promoters	Mr. T Balakumar	Ms. Sudha Alagarsamy
Relation with Promoters		
Father	Mr. Venkadasamy Thirupathi	Mr. Solaisamy Solaisamy Alagarsamy
Mother	Late Ms. T Rukkumaniammal	Ms. Ramasamy Premavathi
Spouse	Ms. Sudha Alagarsamy	Mr. T Balakumar
Brother(s)	-	-
Sister(s)	-	-
Son(s)	-	-
Daughter(s)	Ms. Madhumitha Balakumar	Ms. Madhumitha Balakumar
Spouse's Father	Mr. Solaisamy Solaisamy Alagarsamy	Mr. Venkadasamy Thirupathi
Spouse's Mother	Ms. Ramasamy Premavathi	Late Ms. T Rukkumaniammal
Spouse's Brother(s)	-	-
Spouse's Sister(s)	-	-

B. In case promoter is a Body Corporate

Sr. No.	Nature of Relationship	Name of the Promoter Entities / Company
1.	Subsidiary or holding company of Promoter Company	NA
2.	Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	NA

C. In case promoter is an Individual:

Sr. No.	Nature of Relationship	Entity
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoters or an immediate relative of the promoters or a firm or HUF in which promoters or any one or more of his immediate relatives is a member.	1. B.M.M. Paper Board Private Limited 2. Saradhambika Paper and Board Mills Private Limited 3. Sara Texcones Private Limited
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NA
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoters and his immediate relatives is equal to or more than 20%.	1. M/s. Unicone 2. M/s. B.M.M. Transport

D. All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":

The following persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018: **NIL**

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company (other than promoter(s) and subsidiary / subsidiaries) with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Company as considered material by our Board.

Further, pursuant to a resolution of our Board dated May 17, 2024 for the purpose of disclosure in relation to Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions: -

- a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“Restated Financial Statements”); or
- b) if such company fulfils both the below mentioned conditions: -
 - i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1) (pp) of the SEBI(ICDR) Regulations; and
 - ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, there are 3 (Three) companies / entity falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company / entity (“Group Company”).

Corporate Information–

1. SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Date of Incorporation	March 18, 1994	
Name of Company	Saradhambika Paper And Board Mills Private Limited	
CIN	U02102TZ1994PTC004935	
PAN	AADCS8209F	
Registered Office	Sellakumarapalayam Poulavakkalipalayam, Gobichettipalayam - 638476, Tamil Nadu, India.	
Board of Directors*	Name of Directors	DIN
	Mr. T Balakumar	00440500
	Ms. Sudha Alagarsamy	01515113
	Ms. Madhumitha Balakumar	07062948

**As on date of this Draft Red Herring Prospectus*

2. B.M.M. PAPER BOARD PRIVATE LIMITED

Date of Incorporation	August 28, 1998	
Name of Company	B.M.M. Paper Board Private Limited	
CIN	U21011TN1998PTC041050	
PAN	AABCB6416D	
Registered Office	527/7 Aelavankulam Road Sankarankovil, Tirunelveli District - 627 756, Tamil Nadu, India.	
Board of Directors*	Name of Directors	DIN
	Mr. T Balakumar	00440500
	Ms. Sudha Alagarsamy	01515113
	Ms. Madhumitha Balakumar	07062948

**As on date of this Draft Red Herring Prospectus*

3. MAYURA PACKAGING PRIVATE LIMITED

Date of Incorporation	July 03, 2012	
Name of Company	Mayura Packaging Private Limited	
CIN	U21029TZ2012PTC018475	
PAN	AAICM1020F	
Registered Office	Door No: 11/134, Behind Old DPF Mill Compound Vellakinar Pirivu, GN Mill Post, Coimbatore- 641029, Tamil Nadu, India.	
Board of Directors*	Name of Directors	DIN
	Mr. Vijay Mohan	05314187
	Mr. Nenmeni Kasinathan	01339189
	Mr. Subbiah Balasundaram	01628342
	Ms. Madhumitha Balakumar	07062948
	Ms. Mathiyazhagan Nivedha	08326898

*As on date of this Draft Red Herring Prospectus

FINANCIAL INFORMATION

In accordance with the SEBI (ICDR) Regulations, Details of Reserves (excluding Revaluation Reserves), Sales, Profit after Tax, Earnings per Share, Basis / Diluted Earnings Per Share and Net Asset Value, derived from the latest Audited Financial Statements available on a standalone basis of our Group Companies are available on the website of our company at www.subampapers.com

OTHER CONFIRMATIONS

- None of our Group Companies Securities are listed on any stock exchange nor any of the Group Companies has made any public and / or rights issue of securities in the preceding three years.
- None of the above-mentioned Group Companies is in defaults in meeting any Statutory / bank / institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up / insolvency proceedings.
- Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

LITIGATIONS

Except as mentioned in the Chapter "**Outstanding Litigation and Material Developments**" beginning on page 4 of this Draft Red Herring Prospectus, there are no outstanding litigation involving our Group Companies which may have a material impact on our Company.

INTEREST OF OUR GROUP COMPANY

Interest in the promotion of our Company

Except as disclosed in this Draft Red Herring Prospectus, our Group Companies has no interest in the promotion of our Company.

Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired

Except as mentioned in the chapter titled "**Our Business**" under the heading "**Our Properties**" beginning on page 113 of this Draft Red Herring Prospectus, Our Group Companies don't have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Draft Red Herring Prospectus

Interest in the transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transaction for acquisition of land or supply of machinery to our Company.

RELATED PARTY TRANSACTIONS BETWEEN OUR COMPANY & GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Except as disclosed under the Note “*Related Party Transactions*” on page 184 of this Draft Red Herring Prospectus , there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

BUSINESS INTERESTS OF GROUP COMPANY IN OUR COMPANY

Other than as disclosed under the Note “*Related Party Transactions*” on page 184 of this Draft Red Herring Prospectus , the group companies don’t have any interest in the business of our Company or interest of any other nature as on the date of this Draft Red Herring Prospectus.

PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated under the Note “*Related Party Transactions*” beginning on page 184 of this Draft Red Herring Prospectus, there has been no payment of benefits to our group companies during the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022.

COMMON PURSUITS

Except as disclosed in “*Our Business*” and “*Related Party Transactions*” on page 113 and 184, respectively, none of our Group Companies are in the same line of business as our Company and there are no common pursuits between our Group Companies and our Company.

UNDERTAKING / CONFIRMATIONS BY OUR GROUP COMPANIES

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Neither our Promoters, person in control of our Company or have ever been a Promoters, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies / Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Further, our Company has not paid any dividend in the Fiscal Years ended March 31, 2024, March 31, 2023 and March 31, 2022 and until the date of this Draft Red Herring Prospectus.

There is no guarantee that any dividends will be declared or paid or the amount thereof will not be decreased in the future.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXX of section titled “*Financial Statements as Restated*” beginning on page 224 of this Draft Red Herring Prospectus.

SECTION IX: FINANCIAL INFORMATION
FINANCIAL STATEMENTS AS RESTATED

Sr. No.	Particulars	Page no.
1.	Restated financial statement	F-1 to F-35

FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Examination Report on Restated Consolidated Financial Information of Subam Papers Limited

To,
The Board of Directors of
Subam Papers Limited
S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli,
Tirunelveli, Tamil Nadu, India, 627010

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **Subam Papers Limited**

We have examined the attached Restated Audited Consolidated Financial Statement of **Subam Papers Limited** (hereunder referred to "the Company", "Issuer") and its subsidiaries Subam Paper and Boards Private Limited And Subam Agro Ventures Private Limited and associates Saradhambika Paper and Board Mills Private Limited and B.M.M Paper and Board Private Limited (the Holding Company , its subsidiaries and its associates constitute "the Group"), comprising the Restated Audited Consolidated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Audited Consolidated Statement of Profit & Loss, the Restated Audited Consolidated Cash Flow Statement for the year ended March 31, 2024, March 31, 2023, and March 31, 2022, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Consolidated Financial Statements) as approved by the Board of Directors in their meeting held on 01st July, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of:-

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("ICDR Regulations"); and related amendments/ clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors are responsible for the preparation of the Restated Consolidated Financial Statement for the purpose of inclusion in the DRHP to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of Tamil Nadu in connection with the proposed IPO. The Restated Consolidated Financial Statements have been prepared by the management of the Company for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022, on the basis of Annexure IV to the Restated Consolidated Financial Statement. The Board of Directors responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statement. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

We have examined such Restated Consolidated Financial Statement taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 21st March 2024 in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Statements; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

These Restated Consolidated Financial Statements have been compiled by the management from:

- a) Audited consolidated financial statements of the company as at and for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India and which have been approved by the board of directors

For the purpose of our examination, we have relied on Auditors' Report issued by the Statutory Auditor M/s. Narayanasamy & Associates and M Karuppa Gnaniar (the "Previous Auditors") dated 05th September 2023 and 05th September 2022 for the year ended March 31, 2023, and March 31, 2022 respectively. We have relied on the Auditor's Report issued by the Statutory Auditor M/s. Narayanasamy & Associates (Statutory Auditor) of Saradhambika Paper and Board Mills Private Limited and B.M.M Paper and Board Private Limited dated 12th June 2024 and 10th June 2024 respectively.

The modification in restated financials were carried out based on the modified reports, if any, issued by Previous Auditor which is giving rise to modifications on the financial statements as at and for the years ended on March 31, 2024, March 31, 2023, and March 31, 2022.

- a) The Restated Consolidated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) The Restated Consolidated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
- c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

- d) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies as set out in Note 1 to this report;
- e) Adjustments in Restated Consolidated Financial Statement have been made in accordance with the correct accounting policies;
- f) There was no change in accounting policies, which needs to be adjusted in the Restated Consolidated Financial Statement;
- g) There are no revaluation reserves, which need to be disclosed separately in the Restated Consolidated Financial Statement;
- h) The Company has not paid any dividend during FY 2021-22, FY 2022-23 & FY 2023-24.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that-

- a) The “Restated Consolidated Statement of Assets and Liabilities” as set out in Annexure I to this report of the Company as at March 31, 2024, March 31, 2023, and March 31, 2022, is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in Annexure IV to this Report.
- b) The “Restated Consolidated Statement of Profit and Loss” as set out in Annexure II to this report of the Company for Financial year ended March 31, 2024, March 31, 2023, and March 31, 2022, is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in Annexure IV to this Report.
- c) The “Restated Consolidated Statement of Cash Flow” as set out in Annexure III to this report of the Company for Financial year ended March 31, 2024, March 31, 2023, and March 31, 2022, is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in Annexure IV to this Report.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial year ended March 31, 2024, March 31, 2023, and March 31, 2022, proposed to be included in the DRHP for the proposed IPO.

Restated Consolidated Statement of Share Capital	Note 2
Restated Consolidated Statement of Reserves and Surplus	Note 3
Restated Consolidated Statement of Long Term and Short-Term Borrowings/ Statement of principle Term of	Note 4,6,4.1 & 6.1

Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	
Restated Consolidated Statement of Deferred Tax (Assets) / Liabilities	Note 12
Restated Consolidated Statement of Long-Term and Short-Term Provisions	Note 5 & 9
Restated Consolidated Statement of Trade Payables	Note 7
Restated Consolidated Statement of Other Current Liabilities	Note 8
Restated Consolidated Statement of Property, Plant and Equipment and Intangible Assets	Note 5.2
Restated Consolidated Statement of Non-Current Investment	Note 11
Restated Consolidated Statement of Other Non-Current Assets	Note 13
Restated Consolidated Statement of Inventories	Note 14
Restated Consolidated Statement of Trade Receivables	Note 15
Restated Consolidated Statement of Cash & Cash Equivalents	Note 16
Restated Consolidated Statement of Short-Term Loans and Advances	Note 17
Restated Consolidated Statement of Other Current Assets	Note 18
Restated Consolidated Statement of Revenue from Operations	Note 19
Restated Consolidated Statement of Other Income	Note 20
Restated Consolidated Statement of Cost of Material Consumed	Note 21
Restated Consolidated Statement of Employee Benefits Expenses	Note 23
Restated Consolidated Statement of Finance Cost	Note 24
Restated Consolidated Statement of Depreciation & Amortization	Note 5.2
Restated Consolidated Statement of Other Expenses	Note 25
Material Adjustments to the Restated Consolidated Financial	Annexure-XXXI
Statement of Capitalization	Annexure XXXII
Other Financial Information	Annexure XXXIII
Restated Tax Shelter	Annexure XXXIV
Restated Statement of Contingent Liabilities	Annexure XXXV
Restated Consolidated Statement of Significant Ratios	Annexure-XXXVI
Restated Consolidated Statement of Related Party Transaction	Annexure-XXX
Restated Consolidated Disclosure under AS-15 “Employee Benefit”	ANNEXURE TO NOTE: 1.7
Significant Accounting Policy and Notes to The Restated Consolidated Financial Statements	Annexure-IV

In our opinion and to the best of information and explanation provided to us, the Restated Consolidated Financial Statement of the Company, read with significant accounting policies as appearing in Note 1 are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s. CNGSN & Associates LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Consolidated Financial Statements along with Notes 2 to 36 of this report read with the respective Significant Accounting Polices as set out in Note 1 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI.

Our report is intended solely for use of the management and for inclusion in the DRHP in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For CNGSN & Associates LLP.
Chartered Accountant
FRN: 04915S/S200036

Sd/-

(CA. Srivatsan)
Partner
M. No.: 225064
Place: Chennai
Date: July 1, 2024
UDIN: 24225064BKCSWV8192

SUBAM PAPERS LIMITED
(Formerly known as SUBAM PAPERS PRIVATE LIMITED)
CIN: U21012TN2004PLC054403

Annexure-I

RESTATED STATEMENT OF ASSETS & LIABILITIES

Amount (Rs. In Lakhs)

Sr.No	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
I	<u>EQUITY AND LIABILITIES</u>				
1	Shareholders Funds				
	(a) Share Capital	2	162.77	162.77	162.77
	(b) Reserves & Surplus	3	19,741.35	16,399.55	16,426.34
	Minority Interest		0.98	0.97	1.15
2	Non-current liabilities				
	(a) Long-Term Borrowings	4	8,762.72	9,845.90	9,978.64
	(b) Long-Term Provisions	5	154.18	121.12	110.76
	(c) Deferred Tax Liabilities (net)	12	1,067.61	624.45	185.86
3	Current Liabilities				
	(a) Short-Term Borrowings	6	9,578.06	6,436.71	5,594.73
	(b) Trade Payables:	7			
	(A) total outstanding dues of micro, small and medium enterprises; and		123.79	185.38	150.17
	(B) total outstanding dues of creditors other than micro, small and medium enterprises		4,940.11	6,643.87	5,232.29
	(c) Other Current Liabilities	8	1,288.63	884.61	747.01
	(d) Short-Term Provisions	9	225.90	129.32	828.61
	TOTAL		46,046.10	41,434.65	39,418.33
II	<u>ASSETS</u>				
1	Non Current Assets				
	(a) Property, Plant & Equipment & Intangible Assets	5.2			
	(i) Property, Plant and Equipment		22,402.41	21,565.43	12,360.77
	(ii) Goodwill on Consolidation		370.70	370.70	370.70
	(iii) Capital Work-in-progress		2,197.75	13.64	4,231.12
	(b) Non Current Investments	11	1,047.86	1,008.75	970.55
	(c) Deferred Tax Assets (net)	12	-	-	-
	(d) Other Non-Current Assets	13	422.02	975.06	2,531.46
2	Current Assets				
	(a) Inventories	14	5,733.30	4,221.20	5,645.19
	(b) Trade Receivables	15	11,076.29	9,481.82	8,880.53
	(c) Cash and Cash Equivalents	16	1,093.06	761.98	786.98
	(d) Short-Term Loans and Advances	17	1,209.19	2,682.57	2,172.78
	(e) Other Current Assets	18	493.51	353.50	1,468.27
	TOTAL		46,046.10	41,434.65	39,418.33

The accompanying significant accounting policies and explanatory notes on accounts 1.1 - 1.18 are integral part of financial statements

As per our report of even date

For & or behalf of Directors

For CNGSN & Associates LLP
Chartered Accountants
FRN: 04915S/S200036

Sd/-
T Balakumar
Managing Director
DIN : 00440500

Sd/-
A Sudha
Director
DIN : 01515113

Sd/-
E K Srivatsan
(Partner)
Membership No. -225064

Sd/-
Nagarajan P
Company Secretary & Compliance Officer

Sd/-
M Jahir Hussain
Chief Financial Officer

Place : Chennai
Date : 1st July 2024

Place : Tirunelveli
Date : 1st July 2024

SUBAM PAPERS LIMITED
(Formerly known as SUBAM PAPERS PRIVATE LIMITED)
CIN: U21012TN2004PLC054403

Annexure-II

RESTATED STATEMENT OF PROFIT & LOSS

Amount (Rs. In Lakhs)

Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
I. Revenue from Operations	19	49,386.46	50,829.89	32,927.45
II. Other Income	20	310.85	232.47	332.42
III. Total Income (I + II)		49,697.31	51,062.36	33,259.87
Cost of Materials Consumed	21	37,281.99	43,151.69	26,802.86
Changes in Inventories	22	183.91	(298.62)	(1,217.43)
Employee Benefits Expense	23	2,120.60	2,142.09	1,397.13
Finance Costs	24	1,767.51	1,414.53	307.31
Depreciation and Amortisation Expense	5.2	1,296.71	1,596.56	666.72
Other Expenses	25	2,466.64	2,559.75	1,835.39
IV. Total Expenses		45,117.35	50,566.01	29,791.98
V. Profit before exceptional and extraordinary items and tax (III - IV)		4,579.95	496.35	3,467.89
-CSR Provision		61.23	129.45	37.60
-Prior Period Items		-	-3.34	-
		-	-	-
VII. Profit before tax (V- VI)		4,518.73	370.24	3,430.28
VIII. Tax expense:				
MAT credit entitlement		-	-	-
Current Tax		772.88	-	716.95
Deferred Tax		443.16	438.59	216.49
Total Tax Expense		1,216.05	438.59	933.44
IX . Profit (Loss) for the period (VII-VIII)		3,302.69	(68.35)	2,496.84
Add/(Less): Share of profit/(loss) of Associate Companies		39.10	41.74	103.24
Add/(Less): Minority Interest's share in profit/(loss)		0.01	(0.18)	0.15
X . Profit (Loss) for the period		3,341.80	(26.79)	2,600.23
X. Earnings per equity share:				
(1) Basic		20.53	(0.16)	15.98
(2) Diluted		20.53	(0.16)	15.98

The accompanying significant accounting policies and explanatory notes on accounts 1.1 - 1.18 are integral part of financial statements
As per our report of even date

For & or behalf of Directors

For CNGSN & Associates LLP
Chartered Accountants
FRN: 04915S/S200036

Sd/-
T Balakumar
Managing Director
DIN : 00440500

Sd/-
A Sudha
Director
DIN : 01515113

Sd/-
E K Srivatsan
(Partner)
Membership No. -225064

Sd/-
Nagarajan P
Company Secretary & Compliance
Officer

Sd/-
M Jahir Hussain
Chief Financial Officer

Place : Chennai
Date : 1st July 2024

Place : Tirunelveli
Date: 1st July 2024

SUBAM PAPERS LIMITED
(Formerly known as SUBAM PAPERS PRIVATE LIMITED)
CIN: U21012TN2004PLC054403

Annexure-III
RESTATED CASH FLOW STATEMENT

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
A. Operating activities			
Profit before tax	4,518.74	370.24	3,430.28
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
Depreciation and amortisation expense	1,296.71	1,596.56	666.72
Finance Costs	1,952.29	1,654.96	447.93
Interest Income	(332.93)	(576.11)	(442.19)
Loss on sale of fixed assets	7.38	-	-
Asset Write-off	11.05	-	116.79
Working capital adjustments:			
Decrease/(Increase) in inventories	(1,512.10)	1,423.99	(3,252.15)
Decrease/(Increase) in trade receivable	(1,594.47)	(601.30)	(2,713.45)
Decrease/(Increase) in current assets	(318.03)	1.10	7.24
Decrease/(Increase) in non current assets	(99.15)	522.47	(456.18)
Decrease/(Increase) in short loans and advances	1,651.40	603.88	(279.32)
Decrease/(Increase) in long loans and advances	652.19	1,033.93	118.34
Increase/(Decrease) in current provision	96.58	(699.28)	(67.17)
Increase/(Decrease) in current liabilities	404.02	137.60	(67.41)
Increase/(Decrease) in trade payables	(1,765.35)	1,446.78	2,834.79
Increase/(Decrease) in non current provision	33.06	10.36	64.28
Total cash from operations	5,001.38	6,925.18	408.51
Income taxes refund/(paid)	(772.88)	-	(716.95)
Net Cash flow from operating Activities (A)	4,228.49	6,925.18	(308.43)
B. Investing activities			
Purchase of property, plant and equipment	(4,366.31)	(6,583.75)	(13,349.88)
Sale of PPE	30.08	-	-
Purchase/ Sale of Investments	-	3.53	(518.81)
Interest received	332.93	576.11	442.19
Net cash used in investing activities (B)	(4,003.30)	(6,004.11)	(13,426.50)
C. Financing Activities			
Proceeds of Share application money	-	-	-
Proceeds(repaysment) from short term borrowing, net	3,141.34	841.80	4,677.51
Proceeds(repaysment) from long term borrowings, net	(1,083.18)	(132.74)	9,743.69
Interest Cost	(1,952.29)	(1,654.96)	(447.93)
Net cash used in financing activities(C)	105.87	(945.90)	13,973.27
Movement in Minority Interest	(0.01)	0.18	(0.15)
Net increase in cash and cash equivalents(D=A+B+C)	331.08	(25.01)	238.50
Cash and cash equivalents at the beginning of the financial year E)	761.98	786.98	548.27
Cash and cash equivalents at the end of the period/year (D+E)	1,093.06	761.98	786.98

Components of cash and cash equivalents as at end of the year

	March 31, 2024	March 31, 2023	March 31, 2022
Balance with banks:			
- On current account	567.76	151.39	392.54
- Deposits with original maturity of less than 3 months	496.88	595.18	381.40
- Cash on hand	28.42	15.41	13.04
Total cash and cash equivalents as per Balance Sheet	1,093.06	761.98	786.98
Cash and cash equivalents as per Statement of Cash Flow	1,093.06	761.98	786.98

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of

3. Figures in Brackets represents outflow.

For CNGSN & Associates
Chartered Accountants
FRN: 04915S/S200036

Sd/-
T Balakumar
Managing Director
DIN : 00440500

Sd/-
A Sudha
Director
DIN : 01515113

Sd/-
E K Srivatsan
(Partner)
Membership No. 225064

Sd/-
Nagarajan P
Company Secretary & Compliance
Officer

Sd/-
M Jahir Hussain
Chief Financial
Officer

Place : Chennai
Date : 1st July 2024

Place : Tirunelveli
Date: 1st July 2024

SUBAM PAPERS LIMITED
(Formerly known as SUBAM PAPERS PRIVATE LIMITED)
CIN: U21012TN2004PLC054403

Annexure-IV

1.1 Company Background

M/s SUBAM PAPERS LIMITED (UIN: U21012TN2004PLC054403), M/s SUBAM PAPER AND BOARDS PRIVATE LIMITED it's a subsidiary (UIN: U21000TN2020PTC136504) and M/s SUBAM AGRO VENTURES PRIVATE LIMITED it's a subsidiary (UIN: U01111TN2004PTC054666) are collectively referred to as "The Company" or M/s. SP Ltd or "The Group"

SUBAM PAPERS LIMITED is a Company incorporated in India under The Companies Act, 1956; an existing Company under the Companies Act, 2013 and is domiciled in India. Its Registered Office is located at S.F.No.143-146 VADUGANPATTI VILLAGE NADUKALLUR TO TIRUNELVELI, Tirunelveli, TIRUNELVELI TALUK, Tamil Nadu, India, 627010

The Company is in the business of manufacture, sale and dealing in Kraft Paper Boards, Duplex Boards, Cones, Tubes and other allied goods and primarily caters to the Indian Market and also doing exports directly and through merchant exporters.

1.2 Significant Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Change in Depreciation Method

During the year ended 31st March 2024, the company revised the estimated useful life of its machinery from the rates specified in Schedule II of the Companies Act, 2013, to management's estimated useful life. This change was based on a detailed review of the machinery's usage and technological advancements.

The impact of this change on the financial statements for the year is as follows:

- Increase in profit before tax by ₹553.74 Lacs due to lower depreciation expense.
- Decrease in depreciation expense by ₹553.74. Lacs

The effect of the change on future periods is impracticable to determine at this time.

1.3 Fixed Assets

Tangible Fixed Assets is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred.

Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same is derecognized.

1.4 Capital Work-in-Progress

All project / capital related expenditure viz., civil works, machinery under erection, construction and erection materials, pre-operating expenditure including interest net of revenue included / attributable to the contracts of the project / as of incurred up to the date when the asset is ready for its intended use are shown as Capital work-in-progress.

1.5 Borrowing Costs

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 capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Annexure-IV

1.6 Depreciation

Depreciation is calculated on cost of items of the Fixed Assets less their estimated useful values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss account. Freehold land is not depreciated.

The estimated useful lives of the Fixed Assets are as follows:

Assets Management estimate of useful life
Building 30 Years
Office Equipment and Furniture 3 to 10 Years
Plant & Machinery 15 to 25 Years
Vehicles 10 Years

Depreciation method and useful lives and residual values are reviewed at each financial year end adjusted if appropriate. The management believes that its estimates of useful lives as given above best represent the period over which the management expects to use the assets.

1.7 Current / Non-current classification

For the purpose of Current / Non-Current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

1.8 Impairment

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

1.9 Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

1.10 Revenue recognition

Revenue is measured based on the transaction price, which is the fair value of the consideration received or receivable after netting trade discounts, volume discounts, sales returns and Goods and Services Tax. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest. In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis.

Earnings from Non-Conventional Energy sources

The company has installed Off-site Solar Plant and Windmills for captive consumption of power. The value of power so generated from the Off-site Solar Plant and Windmills are shown separately under "Other Operating Revenues".

1.11 Taxation

Current income tax expense comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

a) Foreign exchange transactions/translations:

i. Initial Recognition: Foreign currency transactions are reported in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

ii. Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

iii. Exchange Differences: Exchange difference arising on long term currency monetary items related to acquisition of a fixed asset is capitalized and depreciated over the remaining useful life of the asset. The exchange differences on other foreign currency monetary items are accumulated in.

"Foreign currency monetary item translation difference account" and amortized over the remaining life of the concerned monetary item. All other exchange differences are recognised as income or as expense in the period in which they arise according to the accounting standard 11 "The effects of change in Foreign exchange rates".

Annexure-IV

1.12 Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a FIFO basis. Work-in-progress is carried at the cost. Stores and spare parts are carried at cost. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labor cost and a proportion of manufacturing overheads.

1.13 Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

1.14 Cash and Cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

1.15 Events after reporting period

Where events occurring 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 within the financial statements. Otherwise, nature and consequent impact of the events of material size, occurring after the Balance Sheet date, are only disclosed.

1.16 Employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period of rendering the service are classified as Short-Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The Company recognizes the undiscounted amount of Short-Term Employee Benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

1.17 Retirement Benefits

1. Gratuity is provided for the eligible employees as per the Payment of Gratuity Act 1972 with actuarial valuation. The company does not have any approved super annulation fund to its employees.
2. The company contributes Provident Fund to the employees under the Employees Provident Fund Scheme run by the Government.
3. As per the rules and regulations of the company the leave encashment is drawn within the year itself and no amount need to be provided.

1.18 Earnings per share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.

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ANNEXURE TO NOTE: 2.14
EMPLOYEE BENEFITS

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

- a. Employee State Insurance Fund
- b. Employee Provident Fund

The expense recognised during the period towards defined contribution plan -

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
Employers Contribution to Employee Provident Fund & ESI	46.21	50.91	20.65

II. Defined benefit plans

Gratuity

The Company should provide for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Amount in Lakhs, Unless Otherwise Stated)

Defined benefit plans	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
	Gratuity (Unfunded)	Gratuity (Unfunded)	Gratuity (Unfunded)
I Expenses recognised in statement of profit and loss during the year:			
Current service cost	38.76	29.54	18.73
Past service cost	-	-	-
Expected return on plan assets	-	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	9.47	7.97	6.24
Immediate Recognition of (Gain)/Losses	(1.48)	(22.05)	1.76
Loss (gain) on curtailments	-	-	-
Total expenses included in Employee benefit expenses	46.75	15.46	26.73
Discount Rate as per para 78 of AS 15 R (2005)			
II Net asset / (liability) recognised as at balance sheet date:			
Present value of defined benefit obligation			
Fair value of plan assets	-	-	-
Funded status [surplus/(deficit)]	-	-	-
III Movements in present value of defined benefit obligation			
Present value of defined benefit obligation at the beginning of the year	0.00	0.00	113.65
Current service cost	38.76	29.54	18.73
Past service cost	-	-	-
Interest cost	9.47	7.97	6.24
Actuarial (gains) / loss	(1.48)	(22.05)	1.76
Benefits paid	(1.07)	(1.31)	(1.03)
Present value of defined benefit obligation at the end of the year	45.68	14.15	139.36
Classification			
Current liability	36.58	30.81	28.59
Non-current liability	154.18	121.12	110.76

IV Sensitivity analysis method

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

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V Actuarial assumptions:

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the year	For the year ended	For the year ended
	ended 31.03.2024	31.03.2023	31.03.2022
Expected Return on Plan Assets	NA	NA	NA
Discount rate	7.15%	7.30%	6.45%
Expected rate of salary increase	7.00%	7.00%	7.00%
Mortality Rate During Employment			
Retirement age	58	58	58

Notes:

- The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Annexure To Note: 2.9 (a)

Foreign Currency Transactions

(in Lakhs)

Particulars	Currency	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
Expense in Foreign Currency				
Purchases of Raw Material	USD	142.31	148.73	137.27
Purchases of Raw Material	INR	11,891.27	12,185.72	10,219.69
Components and Spares	USD	0.35	0.81	1.26
Components and Spares	INR	29.52	59.45	92.15
Components and Spares	EURO	-	0.08	0.43
Components and Spares	INR	-	6.67	37.05
Capital Goods	USD	1.68	16.89	20.37
Capital Goods	INR	135.74	1,278.65	1,503.39
Capital Goods	EURO	0.61	7.63	32.70
Capital Goods	INR	53.00	651.82	1,920.97
Sales Commission	USD	0.16	0.76	1.60
Sales Commission	INR	12.93	62.22	121.00
Income in Foreign Currency				
Export of Goods on FOB basis	USD	3,040.10	2,224.43	2,875.03
Export of Goods on FOB basis	INR	37.24	27.90	39.37

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NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 2

SHARE CAPITAL

Annexure-V

Amount (Rs. In Lakhs)

Particulars	As at	As at	As at
	31.03.2024	31.03.2023	31.03.2022
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
Authorised			
20,00,000 Equity Shares of Rs.10/- each	200.00	200.00	200.00
50,000 Preference Shares of Rs.10/- each	5.00	5.00	5.00
Issued, Subscribed & Fully Paid-up			
16,27,672 Equity Shares of Rs.10/- each fully paid up	162.77	162.77	162.77
Total	162.77	162.77	162.77

A. the Authorized Share Capital of the Company be and is hereby increased from the existing ₹ 2,05,00,000 /- (Indian Rupees Two Crore Five Lakhs Only) divided into 20,00,000 (Twenty Lakhs) Equity Share of ₹ 10/- (Indian Rupees Ten Only) each and 50,000 (Fifty Thousand) 12% Non-Cumulative Redeemable Preference Shares of ₹ 10/- (Indian Rupees Ten Only) each to ₹ 25,05,00,000 /- (Indian Rupees Twenty-Five Crore Five Lakh Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Share of ₹10/- (Indian Rupees Ten Only) and 50,000 (Fifty Thousand) 12% Non-Cumulative Redeemable Preference Shares of ₹10/- (Rupees Ten Only) each vide Board Resolution dated May 03, 2024 and vide Ordinary Resolution passed in the Extra General Meeting dated May 05, 2024.

B. The Company issued of 1,46,49,048 Bonus Equity Shares of ₹ 10/- (Indian Rupees Ten Only) each, distributed and credited as fully paid-up Bonus Equity Shares to the existing following Equity Shareholders in the ratio of 9:1 i.e. 09 (Nine) fully paid up equity shares as Bonus shares against 01 (One) equity share held by existing equity shareholders of the Company as on May 17, 2024 vide Special Resolution passed in the Extra General Meeting dated May 18, 2024 and Allotment via Board Resolution dated June 01, 2024.

C. The Paid Up capital of the Company was increased from 1,62,76,720 Equity Shares to 17,08,00,70 Equity Shares by allotment of 8,03,350 fully paid-up Equity Shares of the Company at a face value of Rs.10/- each (Rupee Ten only) at a Premium of Rs. 95/- per share [i.e., Issue Price Rs. 105/- per Share] by way of Preferential Allotment vide Board Resolution dated June 15, 2024.

NOTE 2A : Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at	As at	As at
	31.03.2024	31.03.2023	31.03.2022
Shares outstanding at the beginning of the year	16,27,672	16,27,672	16,27,672
Shares Issued during the year for a consideration in cash	-	-	-
Shares Issued during the year for a consideration other than in cash	-	-	-
Shares outstanding at the end of the year	16,27,672	16,27,672	16,27,672

NOTE 2B: Term/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs 10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

NOTE 2C: Shares held by Promoters

Promoter Name	No. of Shares			% Change during the year		
	As at	As at	As at	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22
	31.03.2024	31.03.2023	31.03.2022			
	Face Value Rs. 10/-	Face Value Rs. 10/-	Face Value Rs. 10/-			
T Balakumar	7,46,153	7,39,756	7,39,756	0.86%	0.00%	0.00%
A Sudha	2,86,645	2,86,645	2,86,645	0.00%	0.00%	0.00%
Total	10,32,798	10,26,401	10,26,401			-

NOTE 2D: The Details of shareholding holding more than 5%

Shareholder Name	As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
	Face Value Rs. 10/-		Face Value Rs. 10/-		Face Value Rs. 10/-	
T Balakumar	7,46,153	45.84%	7,39,756	45.45%	7,39,756	45.45%
A Sudha	2,86,645	17.61%	2,86,645	17.61%	2,86,645	17.61%
BMM Paper Board Private Limited	1,57,458	9.67%	1,57,458	9.67%	1,57,458	9.67%
K V Tirupathi	1,00,000	6.14%	1,00,000	6.14%	1,00,000	6.14%
S S Alagarsamy	1,00,000	6.14%	1,00,000	6.14%	1,00,000	6.14%
R Premavathy	1,00,000	6.14%	1,00,000	6.14%	1,00,000	6.14%
T Rukkumaniammal	99,617	6.12%	-	-	-	-
	15,89,873	97.68%	14,83,859	91.16%	14,83,859	91.16%

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NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 3

RESERVE & SURPLUS

Annexure-VI
Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Surplus/(Deficit) in Statement of Profit & Loss			
Opening balance	9,141.50	9,168.29	7,568.06
Add/(Less): Net Profit/(Net Loss) for the current year	3,341.80	(26.79)	2,600.23
Less: IPO related expenses	-	-	-
Less: Transferred to General Reserve	-	-	(1,000.00)
Closing Balance	12,483.30	9,141.50	9,168.29
Capital Redemption Reserve			
Opening balance	3.95	3.95	3.95
Add: Transfer from Statement of Profit and Loss	-	-	-
Closing Balance	3.95	3.95	3.95
Securities Premium			
Opening balance	1,983.48	1,983.48	1,983.48
Add: Premium received during the period	-	-	-
Closing Balance	1,983.48	1,983.48	1,983.48
General Reserve			
Opening balance	5,120.00	5,120.00	4,120.00
Add: Transfer from Statement of Profit and Loss	-	-	1,000.00
Closing Balance	5,120.00	5,120.00	5,120.00
Capital Reserve			
Opening balance	150.62	150.62	150.62
Add: Additions	-	-	-
Closing Balance	150.62	150.62	150.62
Total	19,741.35	16,399.55	16,426.34

NOTE 4

LONG TERM BORROWINGS

Annexure-VII
Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
(a) Secured Loan			
Term Loan from Bank - Secured	10,669.15	11,495.17	10,938.09
Vehicle Loan from Bank - Secured	245.67	189.16	-
Total	10,914.82	11,684.33	10,938.09
Less: Current Maturities of Long Term Debts	2,152.12	1,838.43	959.45
Total	8,762.71	9,845.90	9,978.64

Note: Refer Note no. 4.1 for details of Long-term borrowings

NOTE 12

DEFERRED TAX LIABILITIES/(ASSETS) (NET)

Annexure-VIII
Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Deferred Tax Liabilities/(Assets)	1,067.61	624.45	185.86
Total	1,067.61	624.45	185.86

NOTE 5

LONG TERM PROVISIONS

Annexure-IX
Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Provisions for Employee Benefit	154.18	121.12	110.76
Total	154.18	121.12	110.76

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NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 6

SHORT TERM BORROWINGS

Annexure-X
Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Secured Loan:			
Loans repayable on demand/ Working Capital loan			
From Banks	5,260.40	4,598.28	4,635.28
Un-Secured Loan:			
From related parties	147.53	-	-
From Other Parties	2,018.00	-	-
Current maturities of Long term borrowings	2,152.12	1,838.43	959.45
Total	9,578.06	6,436.71	5,594.73

Note: Refer Note no. 6.1 for details of Short-term borrowings

NOTE 7

TRADE PAYABLES

Annexure-XI
Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Trade Payables- Due to MSME	123.79	185.38	150.17
Trade Payables- Due to Other than MSME	4,940.11	6,643.87	5,232.29
Total	5,063.90	6,829.25	5,382.46

Trade Payables ageing schedule for the year ended 31.03.2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	123.79	-	-	-	123.79
Others	2,872.92	1,543.89	478.95	44.35	4,940.11
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
TOTAL	2,996.71	1,543.89	478.95	44.35	5,063.90

Trade Payables ageing schedule for the year ended 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	185.38	-	-	-	185.38
Others	5,658.95	933.36	31.43	20.13	6,643.87
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
TOTAL	5,844.33	933.36	31.43	20.13	6,829.25

Trade Payables ageing schedule for the year ended 31.03.2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	150.17	-	-	-	150.17
Others	4,568.73	264.22	93.03	306.31	5,232.29
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
TOTAL	4,718.90	264.22	93.03	306.31	5,382.46

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NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 8		Annexure-XII		
OTHER CURRENT LIABILITIES		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Other Payables				
Interest due on borrowings	390.80	99.96	-	
Advance from Customers	200.19	149.19	183.19	
Expenses payable	596.60	387.71	404.05	
Other Payables	0.02	96.26	94.29	
Statutory Due payables				
Dues Payables	101.02	151.49	65.48	
TOTAL	1,288.63	884.61	747.01	

NOTE 9		Annexure-XIII		
SHORT TERM PROVISIONS		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Provision For Employee Benefits	119.32	97.32	79.65	
Provision for Income Tax (Net off TDS & TCS)	74.58	-	716.95	
Provision for CSR Expenses	32.00	32.00	32.00	
Total	225.90	129.32	828.61	

NOTE 10		Annexure-XIV		
PROPERTY, PLANT & EQUIPMENTS AND INTANGIBLE ASSETS		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Property, Plant & Equipments	22,402.41	21,565.43	12,360.77	
Goodwill on Acquisition	370.70	370.70	370.70	
TOTAL	22,402.41	21,565.43	12,360.77	

NOTE 11		Annexure-XV		
NON CURRENT INVESTMENTS		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Investments in Associates	998.20	959.10	917.36	
Investments in Others	6.56	6.56	10.09	
Investment Property	43.10	43.10	43.10	
Address:- Sankanthiradu Village, (Ayan Punja Land), Tirunelveli Registration District, Pettai Sub- Registration District, Tirunelveli Taluka, Tamilnadu 627602				
Total	1,047.86	1,008.75	970.55	

Details of Investments	March 31, 2024		March 31, 2023		March 31, 2022	
	No. of shares	Value	No. of shares	Value	No. of shares	Value
	<i>Investment in Unquoted Equity Shares</i>					
Saradhambika Paper and Board Mills Private Limited:						
Equity Shares of Rs.10/- each per share fully paid up	47,250	5,34,30,218	47,250	5,10,59,999	47,250	4,82,80,192
B.M.M Paper Board Private Limited:						
Equity Shares of Rs.10/- each fully paid up	60,000	4,63,89,180	60,000	4,48,49,543	60,000	4,34,55,327
NU Power Wind Farms Private Limited:						
Equity Shares of Rs.10/- each fully paid up	13,607	1,36,070	13,607	1,36,070	1,00,938	10,09,380
Echanda Ujra Private Limited:						
Equity Shares of Rs.10/- each fully paid up	52,000	5,20,000	52,000	5,20,000		
1,72,857 10,04,75,468 1,72,857 9,65,65,612 2,08,188 9,27,44,899						

NOTE 13		Annexure-XVI		
OTHER NON CURRENT ASSETS		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Security Deposits	422.02	322.87	385.10	
Pre Operative Expenses	-	-	460.24	
Others				
Capital Advances	-	652.19	1,686.12	
Total	422.02	975.06	2,531.46	

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NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 14

INVENTORIES

Annexure-XVII

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Raw Material at lower of cost or reliable value	2,682.40	1,291.56	3,206.44
Finished goods at lower of cost or reliable value	1,368.05	1,349.94	811.92
Work- in- process at cost	171.92	373.94	613.34
Consumables	1,510.93	1,205.76	1,013.49
Total	5,733.30	4,221.20	5,645.19

Note: Value of closing inventory has been considered as per AS-2 i.e. lower of Cost or NRV, as certified by the management

NOTE 15

TRADE RECEIVABLES

Annexure-XVIII

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
(a) Secured, considered good;			
(b) Unsecured, considered good;	11,188.18	9,577.60	8,970.23
(c) Doubtful.	(111.89)	(95.78)	(89.70)
Total	11,076.29	9,481.82	8,880.53

Trade Receivable Ageing Schedule for the year ended 31.03.2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables — considered good	9,115.02	1,169.65	713.00	110.32	80.19	11,188.18
Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	9,115.02	1,169.65	713.00	110.32	80.19	11,188.18
Less: Provision for doubtful debt						(111.89)
TOTAL	9,115.02	1,169.65	713.00	110.32	80.19	11,076.29

Trade Receivable Ageing Schedule for the year ended 31.03.2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables — considered good	7,965.66	1,083.27	262.14	182.25	84.28	9,577.60
Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	7,965.66	1,083.27	262.14	182.25	84.28	9,577.60
Less: Provision for doubtful debt						(95.78)
TOTAL	7,965.66	1,083.27	262.14	182.25	84.28	9,481.82

Trade Receivable Ageing Schedule for the year ended 31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables — considered good	7,925.21	418.51	266.40	245.56	114.54	8,970.23
Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	7,925.21	418.51	266.40	245.56	114.54	8,970.23
Less: Provision for doubtful debt						(89.70)
TOTAL	7,925.21	418.51	266.40	245.56	114.54	8,880.53

NOTE 16

CASH AND CASH EQUIVALENTS

Annexure-XIX

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Balances with Banks	567.76	151.39	392.54
Cash on Hand (As certified by management)	28.42	15.41	13.04
Bank deposits (Balances with bank - maturity is more than 12 months)	496.88	595.18	381.40
Total	1,093.06	761.98	786.98

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NOTES TO RESTATED FINANCIAL INFORMATION

Annexure-XX			
Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
NOTE 17			
SHORT TERM LOANS AND ADVANCES			
Advance to supplier	1,183.41	2,667.76	2,159.65
Staff Advances	25.78	14.81	13.13
Total	1,209.19	2,682.57	2,172.78
NOTE 18			
OTHER CURRENT ASSETS			
Annexure-XXI			
Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Prepaid Expense	72.55	67.15	48.78
Sundry recoverable			
Income Tax refundable	5.21	1.82	112.80
Balance with revenue authorities	73.35	260.17	1,281.23
Other receivables	342.40	24.36	25.46
Total	493.51	353.50	1,468.27
NOTE 19			
REVENUE FROM OPERATIONS			
Annexure-XXII			
Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Sale of Finished Goods:			
- Domestic	48,722.76	49,882.53	32,248.16
- Export	3,040.10	2,224.43	2,875.03
Less: Interbranch Sales	2,877.96	1,676.22	2,445.82
Net Sales	48,884.90	50,430.74	32,677.37
Sale of Agricultural Produce (Subsidiary)	0.14	3.92	1.00
Other operating revenue	503.03	396.84	249.08
Sale of Scrap	414.91	297.30	52.86
MEIS Sales incentive	-	58.14	158.58
Duty Drawback	38.05	28.88	37.64
RODTEP Licence Income	48.46	10.91	-
Rental Income	1.61	1.61	-
Less: Interbranch Other Operating Revenue	1.61	1.61	-
Total	49,386.46	50,829.89	32,927.45
NOTE 20			
OTHER INCOME			
Annexure-XXIII			
Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Recurring and Related to Business:			
Interest Income	332.93	576.11	442.19
Discount & Rebate	-	1.40	-
Non-Recurring and Related to Business:			
Creditor Written Back	54.56	10.00	20.83
Other non-operating Income	240.00	120.00	60.00
Bad Debts Recovered	-	3.00	4.30
Less: Interbranch Income	-316.64	-478.05	-194.90
Total	310.85	232.47	332.42
NOTE 21			
COST OF MATERIALS CONSUMED			
Annexure-XXIV			
Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Opening Stock of Materials	1,268.04	3,206.45	1,531.99
Purchases of Materials	28,167.31	35,033.38	26,303.00
Less: Interbranch Purchase	2,879.57	1,676.22	2,445.82
Less: Closing Stock of Materials	2,665.55	1,268.04	3,206.45
Add : Direct Expenses:			
Power & Fuel	6,562.32	5,620.84	3,908.16
Consumption of stores and spare parts	6,442.41	2,140.88	711.98
Manufacturing Expenses	160.62	69.07	-
Freight Inward	226.41	25.33	-
Total Direct Expenses	13,391.76	7,856.12	4,620.14
Total	37,281.99	43,151.69	26,802.86

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NOTES TO RESTATED FINANCIAL INFORMATION

Annexure-XXV Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
NOTE 22			
CHANGES IN INVENTORIES			
Finished goods :			
Opening Stock	1,349.94	811.92	201.98
Closing Stock	1,368.05	1,349.94	811.92
(Increase)/Decrease	(18.11)	(538.02)	(609.94)
Work in Progress :			
Opening Stock of WIP	373.94	613.34	5.85
Closing Stock of WIP	171.92	373.94	613.34
(Increase)/Decrease	202.02	239.40	(607.49)
Total	183.91	(298.62)	(1,217.43)
NOTE 23			
EMPLOYEES BENEFIT EXPENSE			
Annexure-XXVI Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Salaries, Wages & Bonus	1,812.04	1,845.63	1,140.59
Director's Remuneration	22.00	26.00	89.00
Gratuity	39.91	13.89	26.73
Contribution to ESI & EPF	46.21	50.91	20.65
Other benefits	109.71	101.38	52.63
Staff Welfare Expenses	90.73	104.28	67.53
Total	2,120.60	2,142.09	1,397.13
NOTE 24			
FINANCE COST			
Annexure-XXVII Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Interest Expense			
Bank & Other Finance Charges	131.86	237.62	54.28
Interest on Loans	1,952.29	1,654.96	447.93
Less: Interbranch Interest	316.64	478.05	194.90
Total	1,767.51	1,414.53	307.31
NOTE 5.2			
DEPRECIATION & AMORTIZATION EXPENSE			
Annexure-XXVIII Amount (Rs. In Lakhs)			
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Depreciation on Property, Plant & Equipment and Intangible assets	1,296.71	1,596.56	666.72
Total	1,296.71	1,596.56	666.72

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NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 25		Annexure-XXIX		
OTHER EXPENSES		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
General & Administrative				
Payment to auditors (Refer note 31)	14.50	6.50	4.50	
Advertisement	2.14	3.67	0.13	
Commission	168.09	73.07	72.35	
Consultancy fees	23.04	13.20	16.51	
Freight	270.56	94.87	127.37	
Insurance	71.47	50.07	29.83	
Legal and professional charges	44.81	32.51	42.00	
Interest expense on Income-tax	-	51.82	18.34	
Rent	205.81	200.52	103.00	
Repairs and Maintenance	-	-	-	
-Building	71.28	75.52	29.12	
-Machinery	543.99	686.00	324.93	
-Others	197.84	389.09	260.40	
Rates and Taxes	126.22	198.60	123.97	
Selling and Distribution Expenses	528.68	525.95	204.46	
Postage Expenses	3.13	2.71	0.68	
Printing and Stationery	9.25	2.07	0.95	
Travelling Expenses	121.22	58.84	7.32	
Donations	-	-	1.25	
Miscellaneous expenses	47.90	27.76	140.13	
Rebate and Discount	-	-	1.45	
Provision for doubtful debts	16.12	6.07	89.70	
Miscellaneous Write off	0.58	60.91	237.00	
TOTAL	2,466.64	2,559.75	1,835.39	
*Details of Payment to Auditors		Amount (Rs. In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Details of Payments to Auditor				
Statutory Audit	14.00	4.50	2.75	
Tax Audit	0.50	0.50	0.50	
Other matters	-	0.75	0.50	
Reimbursements	-	0.75	0.75	
Total	14.50	6.50	4.50	

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NOTE 5.2

Annexure-XIV

Property, Plant and Equipment

Amount (Rs. In Lakhs)

Particulars	Property, Plant and Equipment									
	Land	Building	Trees & Plants	Livestock	Windmill	Office Equipment & Furniture	Plant & Machinery	Groundmounted Solar Plant	Vehicles	Total
<u>Gross Block</u>										
Balance as at April 01,2021	11.92	1,613.95	-	-	1,041.75	88.27	6,867.22	-	554.42	10,177.53
Additions	-	409.96	-	-	-	39.24	5,212.65	4,197.14	112.61	9,971.60
Deletions / write off	-	-	-	-	-	2.36	32.96	-	0.70	36.02
Balance as at March 31, 2022	11.92	2,023.91	-	-	1,041.75	125.15	12,046.91	4,197.14	666.33	20,113.11
Additions	0.52	2,244.95	-	-	-	26.61	7,664.88	581.40	283.68	10,802.04
Deletions / write off	-	-	-	-	-	-	0.81	-	-	0.81
Balance as at March 31, 2023	12.44	4,268.86	-	-	1,041.75	151.76	19,710.98	4,778.54	950.01	30,914.34
Additions	-	314.52	-	0.58	-	10.04	28.25	1,687.06	141.74	2,182.19
Deletions / write off	-	-	-	0.58	-	-	-	10.47	84.46	95.51
Balance as at March 31, 2024	12.44	4,583.38	-	-	1,041.75	161.80	19,739.23	6,455.13	1,007.29	33,001.02
<u>Accumulated depreciation</u>										
Balance as at April 01,2021	-	502.83	-	-	1,040.50	50.41	5,311.22	-	180.66	7,085.62
Additions	-	57.88	-	-	-	15.16	541.26	1.65	50.78	666.72
Deletions / adjustments	-	-	-	-	-	-	-	0.52	2,244.95	-
Balance as at March 31, 2022	-	560.71	-	-	1,040.50	65.57	5,852.48	1.65	231.44	7,752.34
Additions	-	103.60	-	-	-	20.21	1,100.16	296.27	76.33	1,596.56
Deletions / adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	664.31	-	-	1,040.50	85.78	6,952.64	297.92	307.76	9,348.91
Additions	-	147.29	-	-	-	20.44	730.71	302.98	95.28	1,296.71
Deletions / adjustments	-	-	-	-	-	-	-	-	-47.00	-47.00
Balance as at March 31, 2024	-	811.60	-	-	1,040.50	106.22	7,683.35	600.91	356.04	10,598.61
<u>Net Block</u>										
As at March 31, 2022	11.92	1,463.20	-	-	1.25	59.58	6,194.43	4,195.49	434.89	12,360.77
As at March 31, 2023	12.44	3,604.55	-	-	1.25	65.98	12,758.34	4,480.62	642.25	21,565.43
As at March 31, 2024	12.44	3,771.78	-	-	1.25	55.58	12,055.88	5,854.22	651.25	22,402.41

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Capital work in progress ageing schedule as on March 31, 2024

Particulars	Outstanding for the following periods from Due Date of Payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Projects in progress	2,197.75	-	-	-	2,197.75
(ii) Projects temporarily suspended	-	-	-	-	-
Total	2,197.75	-	-	-	2,197.75

Capital work in progress ageing schedule as on March 31, 2023

Particulars	Outstanding for the following periods from Due Date of Payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Projects in progress	13.64	-	-	-	13.64
(ii) Projects temporarily suspended	-	-	-	-	-
Total	13.64	-	-	-	13.64

Capital work in progress ageing schedule as on March 31, 2022

Particulars	Outstanding for the following periods from Due Date of Payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Projects in progress	475.89	3,755.22	-	-	4,231.12
(ii) Projects temporarily suspended	-	-	-	-	-
Total	475.89	3,755.22	-	-	4,231.12

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STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY							
Name of Lender/Fund	Nature of Facility	Date of Issue	Sanctioned Amount (In Lakhs Rs.)	Securities offered	Re-Payment Period (In Months)	Rate of Interest	Outstanding amount (In Lakhs Rs.) as on (as per Books)
							31-03-2024
4.1. Long term Borrowings:							
SECURED LOANS							
M/s HDFC Bank Limited - Duplex Loan	Term Loan	04-08-2021	3,600.00	1. Residential Plot at Plot no 1, 2, 3 and 4 at Sankarankovil in the name of Mr. T. Balakumar. 2. Residential Site of 8118 Sq ft at Palayamkottai in the name of Mr T.Balakumar and Mrs A. Sudha. 3. Industrial Land of 22.23 acres at Manur Panchayat, 56.54 acres at Vadukanpatti, 24 acres at Vadukanpatti, 21.60 acres at Kodaganallur village, 44.47 acres at Thulukkarkulam Panchayat in the name of Subam Papers Limited. 4. 2 acres of land in vallalnathi village.	84	MCLR + 2.71%	2,492.59
M/s HDFC Bank Limited - Solar Term Loan	Term Loan	22-02-2022	3,790.00	1. Hypothecation On Equipment's - Exclusive on Equipment's and machineries 2. Immovable Securities - First Pari Passu Charge on Immovable Fixed Assets of the company 3. Personal Guarantee: PG of Mr T Balakumar and Ms A Sudha Movable Fixed Assets - First Pari Passu Charge on all movable fixed assets 4. Current Assets - First Pari Passu Charge on the entire current of the Company	84	MCLR + 2.99%	2,815.03
STATE BANK OF INDIA TERM LOAN (SOLAR)	Term Loan	28-12-2023	1,650.00	1. Property totally to the extent of 21.24 Acres located in Tirunelveli, Sankaranthiiradu Village 2. Hypothecation on Solar power plant of 4 MW AC	78	6M MCLR + 4%	1,050.00
M/s HDFC Bank Limited - VL 1 - Ashok Leyland Lorry Loan	Vehicle Loan	05-05-2022	203.50	Ashok Leyland 1615 HE (10 Vehicles)	48	6.75%	117.00
M/s HDFC Bank Limited - VL 2 - Bull Loan	Vehicle Loan	29-06-2022	27.03	Bull SD 76/BHL - Chasis No: BCECH10FVA2200163	48	8.02%	16.81
M/s HDFC Bank Limited - VL 3 - Bull Loan	Vehicle Loan	24-03-2023	19.26	Bull CH 76 2WD2 - Chasis No: BCECH10FVB2300524	48	8.75%	15.06
M/s HDFC Bank Limited - VL 4 - Bull Loan	Vehicle Loan	24-03-2023	19.26	Bull CH 76 2WD2 - Chasis No: BCECH10FJB2300522	48	8.75%	15.06
AXIS BANK LTD - VEHICLE LOAN BULL 1	Vehicle Loan	31-03-2023	18.19	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300533	36	MCLR+0.30%	12.68
AXIS BANK LTD - VEHICLE LOAN BULL 2	Vehicle Loan	30-03-2023	18.19	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300547	36	MCLR+0.30%	12.68
AXIS BANK LTD - VEHICLE LOAN BULL 3	Vehicle Loan	19-06-2023	18.19	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTE2300598	36	MCLR + 0.15%	14.10
AXIS BANK LTD - VEHICLE LOAN BULL 4	Vehicle Loan	19-06-2023	18.19	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCE2300591	36	MCLR + 0.15%	14.10
AXIS BANK LTD - VEHICLE LOAN BULL 5	Vehicle Loan	20-06-2023	18.19	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FEF2300616	36	MCLR + 0.15%	14.10
AXIS BANK LTD - VEHICLE LOAN BULL 6	Vehicle Loan	20-06-2023	18.19	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTF2300621	36	MCLR + 0.15%	14.10
HDFC TERMLOAN	Term Loan	04-01-2021	5,000.00	Current Assets SPBPL, Fixed Assests SPBPL, Industrial Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha	96	Repo Rate + 3.5%	2,719.25
ICICI BANK LTD - TERM LOAN	Term Loan	17-02-2021	2,500.00	Current Assets SPBPL, Fixed Assests SPBPL, Industrial Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha	84	1 Yr MCLR + 0.20%	1,592.28
Total							10,914.82
Current Maturities							2,152.12
Long Term Borrowings							8,762.71

SUBAM PAPERS LIMITED
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STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY							
6.1. Short term Borrowings:							
SECURED LOANS	Nature of Facility	Date of Issue	Sanctioned Amount (In Lakhs Rs.)	Securities offered	Re-Payment Period	Rate of Interest	Outstanding amount (In Lakhs Rs.) as on (as per Books)
							31-03-2024
HDFC Bank Limited-Cash Credit Account	Working Capital	12-07-2022	3,900.00	Current Assets SPPL, Fixed Assets SPPL, Industrial Plot of SPPL and Immovable Property of Mr T.Balakumar, Mrs A. Sudha, Mr S.S Alagarsamy and Mrs R.Premavathy	12 Months Renewal	Repo Rate + 2.25%	888.34
HDFC Bank Limited-Working Capital Demand Loan	Working Capital	12-07-2022	2,000.00		12 Months Renewal	Repo Rate + 2.25%	2,000.00
ICICI Bank Limited-Cash Credit Account	Working Capital	08-09-2023	4,300.00	Current Assets, Fixed Assets, Industrial Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha	12 Months Renewal	Repo Rate+2.50%	749.87
Yes Bank Ltd CC A/c	Working Capital	15-09-2022	2,000.00	Current Assets SPBPL, Fixed Assets SPBPL, Industrial Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha	12 Months Renewal	Repo Rate + 2.6%	122.20
YES BANK LTD-WC DL	Working Capital	15-09-2022			12 Months Renewal	Repo Rate + 2.35%	1,500.00
Total							5,260.40
Current Maturities							2,152.12
Short Term Borrowings (Secured)							7,412.52
UNSECURED LOANS							
From Related parties:							
A.Sudha							114.24
T.Balakumar							33.29
							147.53
From Other parties:							
MYND SOLUTIONS PVT LTD (M1X)							2,018.00
Total Short Term Borrowings							9,578.05
Total Borrowings							18,340.77

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ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 2.16 - BASIC AND DILUTED EARNINGS PER SHARE

Particulars	Rs. In Lakhs	F.Y.(s)		
		2023-24	2022-23	2021-22
Profit after Tax for the year		3,341.80	(26.79)	2,600.23
Present Number of equity shares	Nos.	16,27,672	16,27,672	16,27,672
Weighted average number of Equity shares (after bonus)	Nos.	16,27,67,200	16,27,67,200	16,27,67,200
Basic earnings per share	Rupees	2.05	(0.02)	1.60
Diluted Earning per Share	Rupees	2.05	(0.02)	1.60

NOTE 2.17-

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whom the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

For CNGSN & Associates LLP
Chartered Accountants
FRN: 04915S/S200036

Sd/-
E K Srivatsan
(Partner)
Membership No. -225064

Place : Chennai
Date : 1st July 2024

For & or behalf of Directors

Sd/-	Sd/-
T Balakumar	A Sudha
Managing Director	Director
DIN : 00812527	DIN : 01515113

Sd/-	Sd/-
Nagarajan P	M Jahir Hussain
Company Secretary & Compliance Officer	Chief Financial Officer

Place : Tirunelveli
Date: 1st July 2024

SUBAM PAPERS LIMITED
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STATEMENT OF RELATED PARTY TRANSACTIONS

Annexure-XXX

NOTE 2.18 : Related Party Disclosures

(i).List of related parties

Name	Relation
R.Venkatesh	Key Management Personnel
A.Sudha	Key Management Personnel
T.Balakumar	Key Management Personnel
P.Balagurunathan	Key Management Personnel
B.Madhumitha	Key Management Personnel
Saradhambika Paper & Board Mills Private Limited	Associate Concern
Subam Paper And Boards Private Limited	Subsidiary Company
BMM Paper Board Private Limited	Associate Concern
Unicone-Prop.T.Balakumar	KMP's interested Concern
Mayura Packaging Private Limited	KMP's interested Concern
BMM Transport	KMP's interested Concern
Subam Agro Ventures Private Limited	Subsidiary Company

(ii). Related party transactions

Particulars	Relationship	for the period ended March 31, 2024	for the period ended March 31, 2023	for the period ended March 31, 2022
Director Remuneration				
A.Sudha	Key Management Personnel	10.00	13.00	47.00
B.Madhumitha	Key Management Personnel	12.00	13.00	42.00
Freight charges				
BMM Transport	KMP's interested Concern	79.86	54.12	-
Fuel charges received				
BMM Transport	KMP's interested Concern	-	37.89	-
Interest income				
Mayura Packaging Private Limited	KMP's interested Concern	16.79	67.18	67.18
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	-	116.86
Interest paid				
A.Sudha	Key Management Personnel	10.82	-	-
T.Balakumar	Key Management Personnel	10.21	-	-
Lease rent				
BMM Paper Board Private Limited	Associate Concern	-	2.40	1.20
Unicone-Prop.T.Balakumar	KMP's interested Concern	200.00	166.67	100.00
Loans Availed				
A.Sudha	Key Management Personnel	114.24	-	-
B Madhumitha	Key Management Personnel	0.41	-	-
T.Balakumar	Key Management Personnel	33.29	-	-
Power charges				
Unicone-Prop.T.Balakumar	KMP's interested Concern	334.15	216.59	104.93
Purchase of asset				
Saradhambika Paper & Board Mills Private Limited	Associate Concern	2.10	-	-
Unicone-Prop.T.Balakumar	KMP's interested Concern	1.50	5.26	-
Purchase of materials				
BMM Paper Board Private Limited	Associate Concern	-	5.94	-
Mayura Packaging Private Limited	KMP's interested Concern	649.54	369.85	39.35
Saradhambika Paper & Board Mills Private Limited	Associate Concern	361.72	873.33	595.65
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	26.58	411.12
Retainer Fees				
P.Balagurunathan	Key Management Personnel	5.60	8.28	6.96
R.Venkatesh	Key Management Personnel	27.00	26.50	21.00
Sale of asset				
Saradhambika Paper & Board Mills Private Limited	Associate Concern	-	0.81	-
Sale of goods				
BMM Paper Board Private Limited	Associate Concern	9.26	12.89	-
Mayura Packaging Private Limited	KMP's interested Concern	2,770.40	3,124.35	2,726.95
Saradhambika Paper & Board Mills Private Limited	Associate Concern	71.30	84.21	190.68
Unicone-Prop.T.Balakumar	KMP's interested Concern	107.65	5.60	91.59
Staff welfare				
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	-	0.11
Technical fees Received				
Saradhambika Paper & Board Mills Private Limited	Associate Concern	240.00	120.00	60.00
Travel expense				
T.Balakumar	Key Management Personnel	1.00	0.16	0.43

SUBAM PAPERS LIMITED
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STATEMENT OF RELATED PARTY TRANSACTIONS
Annexure-XXX

(iii). Related party balances

Particulars	Relationship	for the period ended March 31, 2024	for the period ended March 31, 2023	for the period ended March 31, 2022
Advances from Customers				
Unicone-Prop.T.Balakumar	KMP's interested Concern	25.24	25.24	13.35
Advances to suppliers				
BMM Paper Board Private Limited	Associate Concern	0.35	-	-
BMM Transport	KMP's interested Concern	-	11.90	-
Mayura Packaging Private Limited	KMP's interested Concern	18.02	-	-
Unicone-Prop.T.Balakumar	KMP's interested Concern	-	57.40	-
Loans and advances				
A.Sudha	Key Management Personnel	0.60	0.60	0.60
T.Balakumar	Key Management Personnel	1.20	0.12	0.12
Unicone-Prop.T.Balakumar	KMP's interested Concern	26.23	26.23	26.23
Loans from Related Party				
A.Sudha	Key Management Personnel	114.24	-	-
T.Balakumar	Key Management Personnel	33.29	-	-
Long-term Borrowings				
B Madhumitha	Key Management Personnel	0.41	-	-
Trade Payables				
BMM Paper Board Private Limited	Associate Concern	8.34	212.05	1.42
BMM Transport	KMP's interested Concern	1.33	0.72	-
Mayura Packaging Private Limited	KMP's interested Concern	-	123.71	46.38
Saradhambika Paper & Board Mills Private Limited	Associate Concern	1,129.72	919.60	881.66
Unicone-Prop.T.Balakumar	KMP's interested Concern	711.11	532.85	1,153.85
Trade Receivables				
BMM Paper Board Private Limited	Associate Concern	12.01	0.20	-
Mayura Packaging Private Limited	KMP's interested Concern	1,669.09	2,333.29	2,217.44
Saradhambika Paper & Board Mills Private Limited	Associate Concern	140.01	-	-
Unicone-Prop.T.Balakumar	KMP's interested Concern	74.30	-	-
Unquoted Investments in Equity Instruments				
BMM Paper Board Private Limited	Associate Concern	6.00	6.00	6.00
Saradhambika Paper & Board Mills Private Limited	Associate Concern	240.05	240.05	240.05

SUBAM PAPERS LIMITED
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Annexure-XXXI

Restated Statement of Adjustments to Audited Financial Statements

Amount (Rs. In Lakhs)

(i) Reconciliation of Restated Profit:

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company

Particulars	For the year ended 31st March'24	For the year ended 31st March'23	For the year ended 31st March'22
Profit after tax as per audited financial statements	2,836.29	140.40	2,970.87
(i) Adjustments on account of change in accounting policies:			
(ii) Other material adjustments:			
Income		20.58	
Write Back		10.00	20.83
Depreciation		(55.96)	(9.93)
Write Off		(62.29)	(237.00)
Provision for Doubtful debt		(6.04)	(89.70)
Gratuity Expenses		(5.49)	22.71
Gratuity Adjustments		(0.04)	(67.18)
Rates and Taxes		(144.28)	(47.12)
Round off	-	(0.19)	0.24
Prior period items	650.91		
Provision for Income Tax	(104.66)	-	-
Deferred tax adjustment	(40.73)	76.51	36.52
(iii) Audit Qualifications:	-	-	-
Restated profit after tax	3,341.80	(26.79)	2,600.23
	3,341.80	(26.79)	2,600.23

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

Particulars	For the year ended 31st March'24	For the year ended 31st March'23	For the year ended 31st March'22
Shareholder's funds as per Audited financial statements	19,936	17,100	16,959
Roundoff	0	0	0
(i) Adjustments on account of change in accounting policies:	-	-	-
(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	(538)	(371)	
(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	506	(167)	(371)
(iv) Other material adjustments # :			
(v) Audit Qualifications:	-	-	-
Restated Shareholder's funds	19,904	16,562	16,589

SUBAM PAPERS LIMITED
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Annexure-XXXII

STATEMENT OF CAPITALISATION

Amount (Rs. In Lakhs)

PARTICULARS	Pre-Offer	Post-Offer
Debt		
- Short Term Debt	7,425.93	-
- Long Term Debt	10,914.82	-
Total Debt	18,340.75	-
Shareholders' Fund (Equity)		
- Share Capital	162.77	-
- Reserves & Surplus	19,741.35	-
- Less: Miscellaneous Expenses not W/off	-	-
Total Shareholders' Fund (Equity)	19,904.12	-
Long Term Debt / Equity (In Ratio)	0.55	-
Total Debt / Equity (In Ratio)	0.92	-

Notes:-

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2024.
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

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OTHER FINANCIAL INFORMATION

Annexure-XXXIII

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Net Worth (A)	19,904.12	16,562.32	16,589.11
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	7,272.10	3,148.87	4,071.90
Restated Profit after tax	3,341.80	(26.79)	2,600.23
Add: Prior Period Item	-	-	-
Adjusted Profit after Tax(B)	3,341.80	(26.79)	2,600.23
Number of Equity Share outstanding as on the End of Year/Period (C)	16,27,672	16,27,672	16,27,672
Weighted average no of Equity shares as on the end of the period year(D)			
- Pre Bonus (D(i))	16,27,672	16,27,672	16,27,672
- Post Bonus (D(ii))	1,62,76,720	1,62,76,720	1,62,76,720
Face Value per Share			
Restated Basic & Diluted Earnings Per Share (In Rs.) (B/D)			
- Pre Bonus (B/D(i))	205.31	(1.65)	159.75
- Post Bonus (B/D(ii))	20.53	(0.16)	15.98
Return on Net worth (%) (B/A)	16.79%	-0.16%	15.67%
Net asset value per share (A/D(i)) (Pre Bonus) (In Rs.)	1,222.86	1,017.55	1,019.19
Net asset value per share (A/D(ii)) (Post Bonus) (In Rs.)	122.29	101.75	101.92

Notes:-

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

Restated Profit after Tax available to equity shareholders

Weighted average number of equity shares outstanding at the end of the year / period

(ii) Net Asset Value (NAV) per Equity Share

Restated Net Worth of Equity Share Holders

Number of equity shares outstanding at the end of the year / period

(iii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders

Restated Net Worth of Equity Share Holders

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

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

SUBAM PAPERS LIMITED
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RESTATED STATEMENT OF TAX SHELTER

Annexure-XXXIV

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Net Profit/(Loss) before taxes (A)	4,518.73	370.24	3,430.28
Tax Rate Applicable % (SPL and SAVPL)	25.17%	25.17%	25.17%
Tax Rate Applicable % (SPBPL)	17.16%	17.16%	17.16%
Minimum Alternate Taxes (MAT)	-	-	-
Adjustments			
Add: Depreciation as per Companies act	1,296.71	1,596.56	666.72
Add: Loss on sale of fixed assets	-	-	-
Add: Gratuity provision	39.91	13.89	26.73
Add: Disallowance under Income Tax Act, 1961	87.13	266.42	145.43
Less: Taxable under other heads of income	-	-	-
Less: Depreciation as per Income Tax Act, 1961	3,389.36	3,908.18	1,761.43
Less: Deductions under Income Tax Act, 1961	-	4.65	-
Less : Deffered Tax Credit Adjuted for computation of Tax under 115JB of Income Tax Act			
Net Adjustments(B)	(1,965.62)	(2,035.95)	(922.54)
Business Income (A+B)	2,553.11	(1,665.71)	2,507.74
Income from Capital Gains			
Sale Consideration	-	-	-
Less: Cost of Acquisition	-	-	-
Long/ Short Term Capital Gain	-	-	-
Less: Brought Forward Capital Gain	-	-	-
Income from Other Sources (Interest Income)	-	-	-
Interest on Income Tax Refund	-	-	-
Interest on security Deposit	-	-	-
Damages and claims received	-	-	-
Gross Total/ Taxable Income	2,553.11	(1,665.71)	2,507.74
Less: Deductions U/S 80JJAA			-
Net Total/ Taxable Income	2,553.11	(1,665.71)	2,507.74
Tax Payable as per Normal Rate	772.88	-	716.95
Tax Payable as per Special Rate:	-	-	-
Interest payable on above	-	-	-
Tax as per Income Tax (C)	772.88	-	716.95
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	-	-	-
Interest Payable on above	-	-	-
Tax as per MAT (D)	-	-	-
Net Tax (Higher of C & D)	772.88	-	716.95
Current tax as per restated Statement of Profit & Loss	772.88	-	716.95

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RESTATED STATEMENT OF CONTINGENT LIABILITIES

Annexure-XXXV

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee (Performance)	2,000.00	2,000.00	2,000.00
TDS Demands	12.20	-	-
Income Tax Demand	Unascertainable	-	-
GST Demand	2,499.08	-	-
Total	2,511.28	-	-

i. The company has received demand order under GST on 29th April 2024 and the demand created is for Rs. 740.15 lakhs. The company has filed an appeal against the same challenging the amount of Rs. 724.52 lakhs. The company has made a pre-deposit of Rs. 29.77 lakhs on 21st June 2024.

ii. The Company has received GST Audit observation for the period 01.04.2020 to 31.03.2021 and 01.04.2021 to 31.03.2022 on 29th June 2024, which indicates the descriptions of Rs. 1491.94 lakhs and 282.61 lakhs respectively. The company is in the process of responding to the GST observation.

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Restated Statement of Accounting Ratios

Annexure-XXXVI

Amount (Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Current Assets [A]	19,605.36	17,501.07	18,953.75
Current Liabilities [B]	16,156.48	14,279.89	12,552.81
Current Ratio [A/B]	1.21	1.23	1.51
Debt [A]	18,340.77	16,282.61	15,573.37
Equity [B]	19,904.12	16,562.32	16,589.11
Debt - Equity Ratio [A / B]	0.92	0.98	0.94
Earnings available for debt service [A]	7,582.94	3,381.34	4,404.32
Debt Service [B]	3,919.63	3,252.96	1,266.76
Debt - Service Coverage Ratio [A / B]	1.93	1.04	3.48
Net Profit after Tax [A]	3,341.80	-26.79	2,600.23
Shareholder's Equity [B]	19,904.12	16,562.32	16,589.11
Return on Equity Ratio (%) [A / B]	16.79%	-0.16%	15.67%
Cost of Goods Sold [A]	37,465.90	42,853.07	25,585.43
Inventory [B]	5,733.30	4,221.20	5,645.19
Inventory Turnover Ratio [A / B]	6.53	10.15	4.53
Net Sales [A]	49,386.46	50,829.89	32,927.45
Trade Receivables [B]	11,076.29	9,481.82	8,880.53
Trade Receivables Turnover Ratio [A / B]	4.46	5.36	3.71
Net Purchase [A]	41,332.66	42,864.17	30,923.14
Trade Payables [B]	5,063.90	6,829.25	5,382.46
Trade Payables Turnover Ratio [A / B]	8.16	6.28	5.75
Net Sales [A]	49,386.46	50,829.89	32,927.45
Current Assets	19,605.36	17,501.07	18,953.75
Current Liabilities	16,156.48	14,279.89	12,552.81
Working Capital [B]	3,448.87	3,221.18	6,400.94
Working Capital Turnover Ratio [A / B]	14.32	15.78	5.14
Net Profit [A]	3,302.69	(68.35)	2,496.84
Net Sales [B]	49,386.46	50,829.89	32,927.45
Net Profit Ratio (%) [A / B]	6.69%	-0.13%	7.58%
Earning before interest and taxes [A]	6,286.24	1,784.78	3,737.59
Capital Employeed [B]	28,666.83	26,408.22	26,567.75
Capital Employeed = Total Equity + Long term Debt			
Return on Capital Employed (%) [A / B]	21.93%	6.76%	14.07%
Net Return on Investment [A]	1.61	1.61	-
Cost of Investment [B]	1,047.86	1,008.75	970.55
Return on Investment [A / B]	0.15%	0.16%	0.00%

SUBAM PAPERS LIMITED
(Formerly known as SUBAM PAPERS PRIVATE LIMITED)
CIN: U21012TN2004PLC054403

Restated Statement of Accounting Ratios

Annexure-XXXVI

Notes:

Variance in debt service coverage ratio is due to the increase in profits in FY 23-24 as compared to FY 22-23.

Variance in return on equity is due to the increase in profits in FY 23-24 as compared to FY 22-23.

Variance in net profit ratio is due to the increase in profits in FY 23-24 as compared to FY 22-23.

Variance in return on capital employed is due to the increase in profits in FY 23-24 as compared to FY 22-23.

Variance in return on investment is due to the increase in investment value in FY 23-24 as compared to FY 22-23.

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds
 - i) Wilful defaulter
 - ii) Utilisation of borrowed funds & share premium
 - iii) Borrowings obtained on the basis of security of current assets
 - iv) Discrepancy in utilisation of borrowings
 - v) Current maturity of long term borrowings

DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

MATERIAL DEVELOPMENTS AFTER BALANCE SHEET DATE

1. The Company issued of 1,46,49,048 Bonus Equity Shares of ₹ 10/- (Indian Rupees Ten Only) each, distributed and credited as fully paid-up Bonus Equity Shares to the existing following Equity Shareholders in the ratio of 9:1 i.e. 09 (Nine) fully paid up equity shares as Bonus shares against 01 (One) equity share held by existing equity shareholders of the Company as on May 17, 2024 vide Special Resolution passed in the Extra General Meeting dated May 18, 2024 and Allotment via Board Resolution dated June 01, 2024.

2. The Paid Up capital of the Company was increased from 1,62,76,720 Equity Shares to 17,08,00,70 Equity Shares by allotment of 8,03,350 fully paid-up Equity Shares of the Company at a face value of Rs.10/- each (Rupee Ten only) at a Premium of Rs. 95/- per share [i.e., Issue Price Rs. 105/- per Share] by way of Preferential Allotment vide Board Resolution dated June 15, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, for the years ended March 31, 2024, 2023 and 2022 including the related notes and reports, included in this Draft Red Herring Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 32 and 5, respectively of this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

We are a company engaged in the manufacturing of Kraft Paper, Duplex paper and other Paper Products. We proudly call ourselves as a packaging solution providing company. Subam started its journey in the year 2004 with manufacturing of paper cones and later expanded the product base by adding Duplex board and Kraft paper in its portfolio. Our company is not like the traditional paper manufactures, we do not manufacture our products from wood pulp but instead we use wastepaper as our raw material. We aim to preserve mother nature and tend to drive our company on the principle of recycling. Our company leverages wastepaper as the primary raw material in the production of Kraft Paper and Duplex Board.

We are dedicated to sustainability, using recycled paper and cardboard in the production of Kraft Paper and Duplex Board. This not only reduces waste but also underscores our commitment to environmental responsibility. To further minimize our environmental impact, we harness renewable energy through our own wind and solar power installations. Our wind energy infrastructure includes two windmills: with a capacity of 850 KW each totalling approximately 1.7 MW. Additionally, we operate a solar plant with a capacity of 14 MW. These renewable energy sources enable our manufacturing facilities to significantly reduce their carbon footprint, aligning with our goal of sustainable and eco-friendly operations.

For more details kindly refer our chapter titled "**Our Business**" on page 113 of this Draft Red Herring Prospectus.

Significant Developments Subsequent to The Last Financial Year

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- The company increased its's Authorised equity share capital from ₹2,05,00,000/- to ₹25,05,00,000/- vide resolution passed in its members meeting dated May 06, 2024.
- The Company issued 1,46,49,048 bonus Equity Shares in the proportion of 9:1 (Nine) fully paid equity share of ₹10/- each allotted against 1(One) Equity Shares of ₹10/- each vide resolution passed in its members meeting dated May 18, 2024 effect of this bonus issue has been considered to calculate EPS.
- The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on May 17, 2024.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on May 18, 2024.

- The company issued Preferential Shares 8,03,350 Equity Shares at a face value of Rs. 10/- each at a premium of Rs. 95/- per share to the allottees vide Board Resolution dated June 15, 2024.

Factors Affecting Our Results of Operations

Our company's future results of operations could be affected potentially by the following factors:

1. Paper waste recycle and Sustainable packaging solutions
2. Significant Advantage Due to Proximity of Subam's Factory Location
3. Efficient Inventory Management
4. Fully Integrated Manufacturing Facility
5. Consistent Financial Performance
6. Advantage of producing all grades of Paper

Our business is subjected to various risks and uncertainties, including those discussed in the section titled 'Risk Factors' beginning on page 27 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

Key Performance Indicators of our Company

The following table set forth certain key performance indicators for the years indicated:

<i>(₹ in Lakhs)</i>			
Key Financial Performance	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations ⁽¹⁾	49,386.46	50,829.89	32,927.45
EBITDA ⁽²⁾	7,272.10	3,148.87	4,071.90
EBITDA Margin ⁽³⁾	14.72%	6.19%	12.37%
PAT	3,341.80	(26.79)	2,600.23
PAT Margin ⁽⁴⁾	6.77%	(0.05)%	7.90%
Networth ⁽⁵⁾	19,904.12	16,562.32	16,589.11
RoE % ⁽⁶⁾	16.79%	(0.16)%	15.67%
RoCE% ⁽⁷⁾	20.84 %	5.88%	12.82%

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income.

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁵⁾ Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings. Here, EBIT is calculated as Profit before tax + Interest Expenses - Other Income.

For further detail on Key Performance Indicators of our company, please refer Chapter Titled "**Basis of Offer Price**" on page 103 of this Draft Red Herring Prospectus.

STATEMENT OF SIGNIFICANT POLICIES

Corporate Information:

1. Company Background

Subam Papers Limited (UIN: U21012TN2004PLC054403), Subam Paper And Boards Private Limited it's a subsidiary (UIN: U21000TN2020PTC136504) and Subam Agro Ventures Private Limited it's a subsidiary (UIN: U01111TN2004PTC054666) are collectively referred to as "The Company" or SP Ltd or "The Group"

Subam Papers Limited is a Company incorporated in India under The Companies Act, 1956; an existing Company under the Companies Act, 2013 and is domiciled in India. Its Registered Office is located at S.F. No. 143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk, Tamil Nadu, India, 627010

The Company is in the business of manufacture, sale and dealing in Kraft Paper Boards, Duplex Boards, and other allied goods and primarily caters to the Indian Market and also doing exports directly and through merchant exporters.

2. Significant Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Change in Depreciation Method

During the year ended 31st March 2024, the company revised the estimated useful life of its machinery from the rates specified in Schedule II of the Companies Act, 2013, to management's estimated useful life. This change was based on a detailed review of the machinery's usage and technological advancements.

The impact of this change on the financial statements for the year is as follows:

- Increase in profit before tax by ₹553.74 Lakhs due to lower depreciation expense.
- Decrease in depreciation expense by ₹553.74 Lakhs.

The effect of the change on future periods is impracticable to determine at this time.

2.1 Fixed Assets

Tangible Fixed Assets is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of

the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred.

Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same is derecognized.

2.2 Capital Work-in-Progress

All project / capital related expenditure viz., civil works, machinery under erection, construction and erection materials, pre-operating expenditure including interest net of revenue included / attributable to the contracts of the project / as of incurred up to the date when the asset is ready for its intended use are shown as Capital work-in-progress.

2.3 Borrowing Costs

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 capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

2.4 Depreciation

Depreciation is calculated on cost of items of the Fixed Assets less their estimated useful values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss account. Freehold land is not depreciated.

The estimated useful lives of the Fixed Assets are as follows:

Assets	Management estimate of useful life
Building	30 Years
Office Equipment and Furniture	3 to 10 Years
Plant & Machinery	15 to 25 Years
Vehicles	10 Years

Depreciation method and useful lives and residual values are reviewed at each financial year end adjusted if appropriate. The management believes that its estimates of useful lives as given above best represent the period over which the management expects to use the assets.

2.5 Current / Non-current classification

For the purpose of Current / Non-Current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

2.6 Impairment

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

2.7 Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

2.8 Revenue recognition

Revenue is measured based on the transaction price, which is the fair value of the consideration received or receivable after netting trade discounts, volume discounts, sales returns and Goods and Services Tax. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest. In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis.

Earnings from Non-Conventional Energy sources

The company has installed Off-site Solar Plant and Windmills for captive consumption of power. The value of power so generated from the Off-site Solar Plant and Windmills are shown separately under "Other Operating Revenues".

2.9 Taxation

Current income tax expense comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

a) Foreign exchange transactions/translations:

i. Initial Recognition: Foreign currency transactions are reported in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

ii. Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

iii. Exchange Differences: Exchange difference arising on long term currency monetary items related to acquisition of a fixed asset is capitalized and depreciated over the remaining useful life of the asset. The exchange differences on other foreign currency monetary items are accumulated in.

“Foreign currency monetary item translation difference account” and amortized over the remaining life of the concerned monetary item. All other exchange differences are recognised as income or as expense in the period in which they arise according to the accounting standard 11 “The effects of change in Foreign exchange rates”.

2.10 Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a FIFO basis. Work-in-progress is carried at the cost. Stores and spare parts are carried at cost. Finished goods produced or purchased by the

Company are carried at lower of cost and net realisable value. Cost includes direct material and labor cost and a proportion of manufacturing overheads.

2.11 Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

2.12 Cash and Cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

2.13 Events after reporting period

Where events occurring 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 within the financial statements. Otherwise, nature and consequent impact of the events of material size, occurring after the Balance Sheet date, are only disclosed.

2.14 Employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period of rendering the service are classified as Short-Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The Company recognizes the undiscounted amount of Short-Term Employee Benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Retirement Benefits

1. Gratuity is provided for the eligible employees as per the Payment of Gratuity Act 1972 with actuarial valuation. The company does not have any approved super annulation fund to its employees.
2. The company contributes Provident Fund to the employees under the Employees Provident Fund Scheme run by the Government.
3. As per the rules and regulations of the company the leave encashment is drawn within the year itself and no amount need to be provided.

2.15 Earnings per share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.

Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the financial years ended on March, 31 2024, 2023 and 2022.

Results of Our Operations

The following table sets forth select financial data from our Financial Statements as Restated Profit and Loss for the financial years ended on March 31, 2024, 2023 and 2022 the components of which are also expressed as a percentage of total revenue for such periods:

<i>(₹ in Lakhs)</i>						
Particulars	For the year ended March 31, 2024	% of Total income	For the year ended March 31, 2023	% of Total income	For the year ended March 31, 2022	% of Total income
Revenue from operations	49,386.46	99.37%	50,829.89	99.54%	32,927.45	99.00%
Other income	310.85	0.63%	232.47	0.46%	332.42	1.00%
Total Income (A)	49,697.31	100.00%	51,062.36	100.00%	33,259.87	100.00%
Expenses:						
Cost of Materials Consumed	37,281.99	75.02%	43,151.69	84.51%	26,802.86	80.59%
Change in Inventory of Stock in Trade and Finished Goods	183.91	0.37%	(298.62)	-0.58%	(1,217.43)	(3.66)%
Employee Benefit Expenses	2,120.60	4.27%	2,142.09	4.20%	1,397.13	4.20%
Other Expenses	2,466.64	4.96%	2,559.75	5.01%	1,835.39	5.52%
Total Expenses (B)	42,053.13	84.62%	47,554.91	93.13%	28,817.95	86.64%
Earnings Before Interest, Taxes, Depreciation & Amortization(C=A-B)	7,644.17	15.38%	3,507.45	6.87%	4,441.92	13.36%
Finance Cost (D)	1,767.51	3.56%	1,414.53	2.77%	307.31	0.92%
Depreciation and Amortization Expenses (E)	1,296.71	2.61%	1,596.56	3.13%	666.72	2.00%
Profit before Exceptional Items	4,579.95	9.22%	496.35	0.97%	3,467.89	10.43%
Exceptional Items	61.23	0.12%	126.11	0.25%	37.60	0.11%
Profit/(Loss) before Tax	4,518.73	9.09%	370.24	0.73%	3,430.28	10.31%
Tax Expenses:						
Current Tax	772.88	1.56%	-	0.00%	716.95	2.16%
Deferred Tax	443.16	0.89%	438.59	0.86%	216.49	0.65%
Profit/(Loss) for the year	3,302.69	6.65%	(68.35)	-0.13%	2,496.84	7.51%
Add/(Less): Share of profit/(loss) of Associate Companies	39.10	0.08%	41.74	0.08%	103.24	0.31%
Add/(Less): Minority Interest's share in profit/(loss)	0.01	0.00%	(0.18)	0.00%	0.15	0.00%
X . Profit (Loss) for the period	3,341.80	6.72%	(26.79)	-0.05%	2,600.23	7.82%

Overview of Revenue and expenditure

Revenue and Expenditure

Total Income: Our total income comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of Domestic Sale of Products, Exports, Sale of Agricultural Produce and Other Operating Revenue.

Other Income: Our other income is reduced by Inter-company Other Income and comprises of Interest Income from Fixed Deposits, Bad Debts recovered, Other Income, Discount Received and Miscellaneous Write Back.

Expenses: Our expenses comprise of Cost of Material Consumed, Change in Inventories of work in progress and finished goods, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

Raw Material Consumed: Our Raw Material consumed consists of change in stock of Raw Material, Purchase of Raw material adjusted by inter company purchases, Consumption of Stores and Spare parts and Direct Expenses which further includes Manufacturing expenses, Power & Fuel and Freight.

Changes in Inventories: Our Changes in Inventories comprises of change in Stock of Finished goods and Work-in-progress from the beginning of the year to the end of the year.

Employee Benefit Expenses: Our employee benefit expense consists of Salaries & Wages, Contribution to Provident & Other funds, Director Remuneration, Gratuity, Bonus and Staff Welfare Expenses.

Finance Cost: Our finance costs comprise of Interest on Loan, Bank Charges, Net loss on foreign currency transactions and translation & Other Finance Charges.

Depreciation and amortisation expenses: Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on Property, Plant & Equipment & Intangible Assets.

Other expenses: Other expenses includes Payment to Auditors, Advertisement, Commission, Consultancy Fees, Freight, Insurance, Legal & Professional Charges, Interest Expenses on Income Tax, Rent, Repairs & Maintenance to Building, machinery & Others, Rates & Taxes, Selling & Distribution Expenses, Postage Expenses, Printing & Stationery, Travelling Expenses, CSR Expenses, Donations, Miscellaneous Expenses, Rebates & Discounts Given, Provision for Doubtful Debts and Miscellaneous Written Off.

Tax Expenses: Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the Income Tax Act, 1961.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

COMPARISON OF FY 2023-24 WITH FY 2022-23

Income

Total Income: Our total income decreased by ₹1,365.05 lakhs or 2.67% to ₹49,697.31 Lakh for the financial year 2023-24 from ₹51,062.36 Lakh for the financial year 2022-23 due to the factors described below:

Revenue from operations

Our Revenue from operations decreased by ₹ -1443.43 lakhs, from ₹ 50,829.89 lakhs for the financial year ended March 31, 2023, to ₹ 49,386.46 lakhs for the financial year ended March 31, 2024, representing a decline of -2.84 % on account of decline in sale of products and absence of MEIS Sales incentive in FY 2023-24.

Other Income

Our Other income increased by ₹ 78.38 lakhs, from ₹ 232.47 lakhs for the financial year ended March 31, 2023, to ₹ 310.85 lakhs for the financial year ended March 31, 2024, representing a growth of 33.72% due to increase in Other Non- Operating Income.

Expenses

Our total expenses excluding finance cost, depreciation and tax expenses is ₹ 42,053.13 Lakhs for the financial year 2023-24 as compared to ₹ 47,554.91 Lakhs for the financial year 2022-23 representing a decrease of 11.57% due to the factors described below: -

Cost of Raw Material Consumed

Our Cost of Raw Material Consumed is ₹37,281.99 for the financial year 2023-24 as compared to ₹43,151.69 Lakhs for the financial year 2022-23 representing a decrease of 13.60% due to decrease in Purchases.

Changes in Inventories

Our Net Change in Inventory of Work-n-Progress and Finished Goods increased by ₹ 482.53 lakhs, from ₹ -298.62 lakhs for the financial year ended March 31, 2023 to ₹ 183.91 lakhs for the financial year ended March 31, 2024 representing an increase of 161.59% due to increase in closing inventory.

Employee Benefits Expenses

Our employee benefit expenses are ₹2,120.60 Lakhs for the financial year 2023-24 as compared to ₹2,142.09 Lakhs for the financial year 2022-23 representing an decrease of 1% due to decrease in Salary and wages, Directors Remuneration and Staff Welfare Expenses which was partially set off against increase in Bonus and Gratuity Expenses.

Finance Costs

Our finance cost is ₹1,761.51 Lakhs for the financial year 2023-24 as compared to ₹1,414.53 Lakhs for the financial year 2022-23 representing an increase of 24.95 % on account of increase in Interest on Loans, Processing Charges which is partially set off by decrease in Bank Charges and Net loss on foreign currency transactions and translation.

Depreciation and Amortization Expense

Our depreciation decreased by 18.78% to ₹1,296.71 Lakhs for the financial year 2023-24 from ₹1,596.56 Lakhs for the financial year 2022-23 due to change in accounting estimate of useful life of Fixed assets.

Other expenses

Our other expenses decreased by 3.64% to ₹ 2,466.64 Lakhs for the financial year 2023-24 from ₹ 2,559.75 Lakhs for the financial year 2022-23, which is 4.96% and 5.01% of the total revenue of respective years. The increase was mainly due to increase in Commission, freight, Insurance, Printing & Stationary, Travelling Expenses which was partially set off against decrease in Advertisement, Repairs & maintenance, CSR Expenses etc.

Exceptional Items

Our Exceptional consists of CSR Provision and Prior period items, decreased by 51.45% to ₹61.23 Lakhs for the financial year 2023-24 from ₹126.11 Lakhs for the financial year 2022-23 due to change in CSR Provision and Prior period item in F.Y. 2022-23.

Profit Before Tax

Our profit before tax increased by 1,120.48% to ₹4,518.73 Lakhs for the financial year 2023-24 from ₹370.24 Lakhs for the financial year 2022-23. The increase was mainly due to the factors described above.

Tax Expenses

Our tax expenses for the financial year 2023-24 amounted to ₹1,216.05 Lakhs as against tax expenses of ₹438.59 Lakhs for the financial year 2022-23. The net increase of ₹777.46 Lakhs is on account of increase in deferred tax and Current tax due to increase in profits.

Profit After Tax

Our profit after tax but before Share of Profit of Associates and Share of Minority Interest, increased by 4932.44% to ₹3,302.68 Lakhs for the financial year 2023-24 from ₹(68.34) Lakhs for the financial year 2022-23, reflecting a net increase of ₹3,371.02 Lakhs mainly due to expansion of business and increase in revenue.

Share of Profit of Associate Companies

Our share of profit of associate companies comprise of ₹39.10 Lakhs for financial year 2023-24 as compared to ₹41.74 Lakhs for financial year 2022-23.

Share of Minority Interest

Minority Interest's share in profit stood at ₹ 0.01 lakhs for financial year 2023-24 as compared to share in loss of ₹ - 0.18 Lakhs for financial year 2022-23.

COMPARISON OF FY 2022-23 WITH FY 2021-22

Income

Total Income: Our total income increased by ₹17,802.49 lakhs or 53.53% to ₹51,062.36 Lakh for the financial year 2022-23 from ₹33,259.87 Lakh for the financial year 2021-22 due to the factors described below:

Revenue from operations

Our revenue from operations is ₹50,829.89 Lakhs for the financial year 2022-23 as compared to ₹32,927.45 Lakhs for the financial year 2021-22 representing an incline of 54.37% on account of increase in expansion of business.

Other Income

Our Other Income decreased from ₹332.42 Lakhs in financial year 2021-22 to ₹232.47 Lakhs in financial year 2022-23 due to increase in Inter company Other income being reduced from Total Other Income.

Expenses

Our total expenses excluding finance cost, depreciation and tax expenses is ₹ 47,554.91 Lakhs for the financial year 2022-23 as compared to ₹ 28,817.95 Lakhs for the financial year 2021-22 representing an increase of 65.02% due to the factors described below: -

Cost of Materials Consumed

Our Cost of Materials Consumed is ₹43,151.69 for the financial year 2022-23 as compared to ₹26,802.86 Lakhs for the financial year 2021-22 representing an increase of 61.00 % due to increase in Purchases of Raw material.

Changes in Inventories

Our Net Change in Inventory of Work-in-Progress and Finished Goods increased by ₹ 918.81 lakhs, from ₹-(1217.43) lakhs for the financial year ended March 31, 2022 to ₹ -(298.62) lakhs for the financial year ended March 31, 2023 representing an increase of 75.47% due to increase in closing inventory of Work-in-Progress and Finished Goods.

Employee Benefits Expenses

Our employee benefit expenses are ₹2,142.09 Lakhs for the financial year 2022-23 as compared to ₹1,397.13 Lakhs for the financial year 2021-22 representing an increase of 53.32% due to increase in Salary and wages, Contribution to provident and other funds , Bonus and Staff Welfare Expenses which was partially set off against decrease in Directors Remuneration and Gratuity Expenses.

Finance Costs

Our finance cost is ₹1,414.53 Lakhs for the financial year 2022-23 as compared to ₹307.31 Lakhs for the financial year 2021-22 representing an increase of 360.29% on account of increase in Interest on Loans, Bank charges and Net loss on foreign currency transactions and translation.

Depreciation and Amortization Expense

Our depreciation increased by 139.46% to ₹1,596.56 Lakhs for the financial year 2022-23 from ₹666.72 Lakhs for the financial year 2021-22 due to addition in assets during the year.

Other expenses

Our other expenses increased by 39.47% to ₹ 2,559.75 Lakhs for the financial year 2022-23 from ₹ 1,835.39 Lakhs for the financial year 2021-22, which is 5.01% and 5.52% of the total revenue of respective years. The increase was mainly due to increase in Advertisement, Insurance, Rent, Travelling expenses, CSR Expenses, Printing & Stationary, Repairs & maintenance, Selling and Distribution Expenses which was partially set off against decrease in Freight,etc.

Exceptional Items

Our Exceptional consists of CSR Provision and Prior period items, increased by 235.37% to ₹126.11 Lakhs for the financial year 2022-23 from ₹37.60 Lakhs for the financial year 2021-22 due to change in CSR Provision and Prior period item in F.Y. 2022-23.

Profit Before Tax

Our profit before tax decreased by 89.21% to ₹370.24 Lakhs for the financial year 2022-23 from ₹3,430.28 Lakhs for the financial year 2021-22. The increase was mainly due to the factors described above.

Tax Expenses

Our tax expenses for the financial year 2022-23 amounted to ₹438.59 Lakhs as against tax expenses of ₹933.44 Lakhs for the financial year 2021-22. The net increase of ₹494.85 Lakhs is on account of increase in Deferred Tax and decrease in Current tax.

Profit After Tax

Our profit after tax but before Share of Profit of Associates and Share of Minority Interest decreased by 102.74% to ₹(68.34) Lakhs for the financial year 2022-23 from ₹2,496.84 Lakhs for the financial year 2021-22, reflecting a net decrease of ₹ 2,565.19 Lakhs mainly due to increase in Cost of material consumed.

Share of Profit of Associate Companies

Our share of profit of associate companies comprise of ₹41.74 Lakhs for financial year 2022-23 as compared to ₹103.24 Lakhs for financial year 2021-22.

Share of Minority Interest

Minority Interest's share in loss of ₹ -0.18 Lakhs for financial year 2022-23 as compared to share in profit of ₹0.15 Lakhs for financial year 2021-22.

Changes in Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for the financial years ended 2024, 2023 and 2022:

Particulars	For the year ended March 31,		
	2024	2023	2022
Net cash (used in)/ generated from operating Activities	4,228.49	6,925.18	(308.43)
Net cash (used in)/ generated from investing Activities	(4,003.30)	(6,004.11)	(13,426.50)
Net cash (used in)/ generated from financing Activities	105.88	(945.90)	13,973.27
Movement in Minority Interest	(0.01)	0.18	(0.15)
Net increase/ (decrease) in cash and cash Equivalents	331.08	(25.01)	238.50
Cash and Cash Equivalents at the beginning of the period	761.98	786.98	548.27
Cash and Cash Equivalents at the end of the Period	1,093.06	761.98	786.98

Operating Activities

Financial year 2023-24

Our net cash generated from operating activities was ₹ 4,228.49 Lakhs for the year ended March 31, 2024. Our operating profit before working capital changes was ₹7,453.24 Lakhs for the financial year 2023-24 which was primarily adjusted against increase in Inventories of ₹1,512.10 Lakhs, increase in trade receivables by ₹1,594.47 Lakhs, decrease in Short Term & Advances of ₹1,651.40 lakhs, increase in other non-current assets by ₹99.15 Lakhs, increase in Other Current Assets by ₹318.03 Lakhs, decrease in trade payables by ₹1,765.35 Lakhs, increase in other current liabilities by ₹404.02 Lakhs, decrease in Long Term Loans & Advances by ₹652.19 Lakhs, increase in short term provision by ₹96.58 Lakhs, increase in long term provision by ₹33.06 Lakhs which was further decreased by payment of Income Tax of ₹772.88 Lakhs.

Financial year 2022-23

Our net cash generated from operating activities was ₹ 6,925.18 Lakhs for the year ended March 31, 2023. Our operating profit before working capital changes was ₹3,045.65 Lakhs for the financial year 2022-23 which was primarily adjusted against decrease in Inventories of ₹1,423.99 Lakhs, increase in trade receivables by ₹601.30 Lakhs, decrease in Short Term & Advances of ₹603.88 lakhs, decrease in other non-current assets by ₹522.47 Lakhs, decrease in Other Current Assets by ₹1.10 Lakhs, increase in trade payables by ₹1,446.78 Lakhs, increase in other current liabilities by ₹137.60 Lakhs, decrease in Long Term Loans & Advances by ₹1,033.93 Lakhs, decrease in short term provision by ₹699.28 Lakhs, increase in long term provision by ₹10.36 Lakhs.

Financial year 2021-22

Our net cash used in operating activities was ₹ 308.43 Lakhs for the year ended March 31, 2022. Our operating profit before working capital changes was ₹4,219.54 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in Inventories of ₹3,252.15 Lakhs, increase in trade receivables by ₹2,713.45 Lakhs, increase in Short Term & Advances of ₹279.32 lakhs, increase in other non-current assets by ₹456.18 Lakhs, decrease in Other Current Assets by ₹7.24 Lakhs, increase in trade payables by ₹2,834.79 Lakhs, decrease in other current liabilities by ₹67.41 Lakhs, decrease in Long Term Loans & Advances by ₹118.32 Lakhs, decrease in short term provision by ₹67.17

Lakhs, increase in long term provision by ₹64.28 Lakhs which was further decreased by payment of Income Tax of ₹716.95 Lakhs.

Investing Activities

Financial year 2023-24

Our net cash used in investing activities was ₹ 4003.30 Lakhs for the financial year 2023-24. These were on account of net Purchase of Property, Plant & Equipment of ₹ 4,336.23 Lakhs and Interest income ₹332.93 Lakhs.

Financial year 2022-23

Our net cash used in investing activities was ₹ 6,004.11 Lakhs for the financial year 2022-23. These were on account of Purchase of Property, Plant & Equipment of ₹ 6,583.75 Lakhs, Sale of Investments of ₹3.53 Lakhs and Interest income ₹576.11 Lakhs.

Financial year 2021-22

Our net cash used in investing activities was ₹ 13426.50 Lakhs for the financial year 2021-22. These were on account of Purchase of Property, Plant & Equipment of ₹ 13,349.88 Lakhs, Purchase of Investments of ₹518.81 Lakhs and Interest income ₹442.19 Lakhs.

Financing Activities

Financial year 2023-24

Net cash generated from financing activities for the financial year March 31, 2024 was ₹105.87 Lakhs which was primarily on account of Finance Cost of ₹ 1,952.29 Lakhs, proceeds from short term borrowings of ₹ 3141.35 and repayment of long term borrowings of ₹1,083.18 Lakhs.

Financial year 2022-23

Net cash used in financing activities for the financial year March 31, 2023 was ₹945.91 Lakhs which was primarily on account of Finance Cost of ₹1,654.96 Lakhs, proceeds from short term borrowings of ₹ 841.79 and repayment of long term borrowings of ₹132.74 Lakhs.

Financial year 2021-22

Net cash used in financing activities for the financial year March 31, 2024 was ₹13,973.27 Lakhs which was primarily on account of Finance Cost of ₹447.93 Lakhs, proceeds from short term borrowings of ₹4,677.51 and proceeds from long term borrowings of ₹9,743.69 Lakhs.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2024, 2023 and 2022:

Particulars	For the year ended March 31,		
	2024	2023	2022
Fixed Asset Turnover Ratio	2.01	2.36	1.98
Current Ratio	1.21	1.23	1.51
Debt Equity Ratio	0.92	0.98	0.94
Inventory Turnover Ratio	7.53	8.69	6.93

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

Current Ratio: This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

Inventory Turnover Ratio: This is defined as average inventory divided by cost of goods sold based on Financial Statements as restated.

Financial Indebtedness

As on March 31, 2024, the total outstanding borrowings of our Company is as below. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page of this Draft Red Herring Prospectus.

(₹in Lakh)

Particulars	As at March 31, 2024	As at June 30, 2024
Loans from Banks & Financial Institutions	16,175.23	16,042.17
Loans from Related parties	147.53	147.53
Loans from Other Parties	2,018.00	2,005.26
Total	18,340.76	18,194.96

Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 224 of this Draft Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 224 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 224 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS

Unusual or infrequent events or transactions

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

Significant economic changes that materially affected or are likely to affect income from continuing operations

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the chapter titled “*Risk Factors*” beginning on page 32 of this Draft Red Herring Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Total turnover of each major industry segment in which the Issuer Company operates

Our Company is primarily engaged as manufacturers of Kraft Paper and Paper Products. The company caters to Indian as well as International market.

Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 113 of this Draft Red Herring Prospectus.

Competitive Conditions

We have competition with domestic and international paper manufacturers who may vertically integrate their supply chains by acquiring or establishing their own distribution operation which reduces the need for independent distributors and create additional competition in the market. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/ entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” beginning on page 32 of this Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 32 of this Draft Red Herring Prospectus.

Status of any Publicly Announced New Business Segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

STATEMENTS OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “Subam Papers Limited” as on March 31, 2024 and May 31, 2024 are as under:

SECURED LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
HDFC Bank Limited	Term Loan	August 04, 2021	3,600.00	1 Month Treasury Bill + 2.3% spread	Primary Security: 1.Residential Plot at Plot no 1, 2, 3 and 4 at Sankarankovil in the name of Mr. T. Balakumar. 2. Residential Site of 8118 Sq ft at Palayamkottai in the name of Mr T.Balakumar and Mrs A. Sudha. 3. Industrial Land of 22.23 acres at Manur Panchayat, 56.54 acres at Vadukanpatti, 24 acres at Vadukanpatti, 21.60 acres at Kodaganallur village, 44.47 acres at Thulukarkulam Panchayat in the name of Subam Papers Limited. 4. 2 acres of land in vallalnathi village." 5. Personal guarantee of Mr. T Balakumar and Ms. A Sudha	First installemnt of Rs. 45.75 Lakhs, next 77 equal installments of Rs. 46.16 Lakhs after end of moratorium period of 6 month	2,492.59	2,400.27
HDFC Bank Limited	Term Loan	February 22, 2022	3,790.00	1 Month Treasury Bill + 2.3% spread	1. Hypothecation On Equipment's - Exclusive on Equipment's and machineries 2. Immovable Securities - First Pari Passu Charge on Immovable Fixed Assets of the company 3. Personal Guarantee: PG of Mr. T Balakumar and Ms. A Sudha 4. Movable Fixed Assets - First Pari Passu Charge on all movable fixed assets 5. Current Assets - First Pari Passu Charge on the entire current of the Company"	78 equal installments of Rs. 24.35 Lakhs after end of moratorium period of 6 month	2,815.03	2,721.19

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
State Bank of India	Term Loan	December, 28, 2023	1,650.00	6M MCLR + 4%	1. Property totally to the extent of 21.24 Acres located in Tirunelveli, Sankaranthiiradu Village 2. Hypothication on ground mounted Solar power plant	73 equal installments of Rs. 22.30 Lakhs and 1 installment of Rs.22.10 Lakhs after the end moratorium period of 4 months	1,050.00	1,150.00
HDFC Bank Limited	Vehicle Loan	May 05, 2022	203.50	6.75%	Ashok Leyland 1615 HE (10 Vehicles)	48 equal installments of Rs.4.84 Lakhs	117.00	108.59
HDFC Bank Limited	Vehicle Loan	June 29, 2022	27.03	8.02%	Bull SD 76/BHL - Chasis No: BCECH10FVA2200163	48 equal installments of Rs. 0.66 Lakhs	16.81	15.71
HDFC Bank Limited	Vehicle Loan	March 24, 2023	19.26	8.75%	Bull CH 76 2WD2 - Chasis No: BCECH10FVB2300524	48 equal installments of Rs. 0.48 Lakhs	15.06	14.32
HDFC Bank Limited	Vehicle Loan	March 24, 2023	19.26	8.75%	Bull CH 76 2WD2 - Chasis No: BCECH10FJB2300522	48 equal installments of Rs. 0.48 Lakhs	15.06	14.32
Axis Bank Limited	Vehicle Loan	March 31, 2023	18.19	MCLR+0.30%	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300533	36 equal installments of Rs. 0.58 Lakhs	12.68	11.71
Axis Bank Limited	Vehicle Loan	March 30, 2023	18.19	MCLR+0.30%	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300547	36 equal installments of Rs. 0.58 Lakhs	12.68	11.71
Axis Bank Limited	Vehicle Loan	June 19, 2023	18.19	MCLR + 0.15%	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTE2300598	36 equal installments of Rs. 0.58 Lakhs	14.10	13.16
Axis Bank Limited	Vehicle Loan	June 19, 2023	18.19	MCLR + 0.15%	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCE2300591	36 equal installments of Rs. 0.58 Lakhs	14.10	13.16
Axis Bank Limited	Vehicle Loan	June 19, 2023	18.19	MCLR + 0.15%	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FEF2300616	36 equal installments of Rs. 0.58 Lakhs	14.10	13.16
Axis Bank Limited	Vehicle Loan	June 19, 2023	18.19	MCLR + 0.15%	Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTF2300621	36 equal installments of Rs. 0.58 Lakhs	14.10	13.16
HDFC Bank Limited	Term Loan	January 04, 2021	5,000.00	Repo Rate + 3.5%	1.Movebale Fixed Asset 2.Total Current Assets of the company 3.Equitable Mortgage on properties belonging to Subam Paper Ltd and Guarantor 3.Personal Guarantee of Mr. T.	After the end of moratorium period of 12 months, 2 equal installments of Rs. 22.11 Lakhs, next 52 equal installments of	2,719.25	2,652.76

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
					Balakumar and Mrs. A. Sudha and corporate guarantee of Subam Paper Ltd.	Rs. 33.25 Lakhs, next 24 installments of Rs. 44.12 Lakhs and next 6 installements of 77.22 Lakhs		
ICICI Bank Limited	Term Loan	February 17, 2021	2,500.00	1 Yr MCLR + 0.20%	<ol style="list-style-type: none"> 1. First Pari passu charge with other lender on the Residential site at Gomathiyapuram standing in the name of Mr. T. Balakumar. 2. First Pari passu charge with other lender on the House at Cross street, Maharaja Nagar, Palayamkottai, Tirunelveli 3. First Pari passu charge with other lender on the Industrial Land at Vadukanpatti, Tirunelveli in the name of M/s.Subam Papers P Ltd 4. First Pari passu charge with other lender on the Industrial Land at Vadukanpatti, Tirunelveli 5. First Pari passu charge with other lender on the Ayan Punja S.No.627/3B in vallalnathi village 6. First Pari passu charge with other lender on the land at Survey No.635/4 in vallalnathi Village 7. First Pari passu charge with other lender on the land to an extent of 44.47 acres situated at Vaduganpatti village 8. Hypothecation on all current assets and fixed assets of the borrower 	84 equal installments of Rs. 0.29 Lakhs after the end of moratorium period of 24 months.	1,592.28	1,456.23

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
					including movable and immovable assets 9. Unconditional and Irrevocable personal/corporate guarantee of: Mr. T. Balakumar Mrs. Sudha Alagarswamy			
HDFC Bank Limited	Cash Credit	July 12, 2022	3,900.00	Repo Rate + 2.15%	1. Land and Building - First Pari Passu charge on Land & Building 2. Personal Guarantee - T Balakumar, A Sudha, S S Alagarsamy, R Premavathy 3. Plant and Machinery - First Pari Passu charge on Moveable Fixed Assets of the company. 4. Stocks and Receivables - First Pari Passu Charge on Current assets.	Repayable on Demand subject to renewal after 12 Months	888.34	1,066.02
HDFC Bank Limited	Working Capital Loan	Originally sanctioned on July 12, 2022, Latest credit advice are as follows: 1400 Lacs 16 th February 2024 & 600 Lacs 27 th March 2024	2,000.00	8.65%		Repayable on Demand subject to renewal after 12 Months	2,000.00	2,000.00
ICICI Bank Limited	Cash Credit	September 08, 2023	4,300.00	Repo Rate+2.50%	Current Assets, Fixed Assests, Industiral Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha	Repayable on Demand subject to renewal after 12 Months	749.87	922.12
Yes Bank Limited*	Cash Credit	December 30, 2023	2,000.00	Repo Rate + 2.60%	1. Equitable Mortgage on Agricultural Land at Vadukanpatti Village, Tirunelveli	Repayable on Demand subject to renewal after 12 Months	122.20	(55.42)
Yes Bank Limited*	Working Capital	February 19, 2024		Repo Rate + 1.85%	2. Equitable mortgage on Agricultural land at Kodanganallur Vilege, Tirunelveli 3. Equitable mortgage on Industrial Property (Agricultural Land) at Vadunkanpatti Vilege, Tirunelveli 4. Equitable mortgage on Residential Land and Building	Repayable on Demand subject to renewal after 12 Months	1,500.00	1,500.00

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
					located at Maharaj Nagar Colony, Tirunelveli 5.Equitable mortgage on Residential Land located at Gomathiyapuram New Colony 6.Equitable mortgage on Agricultural land at Kallor Road Kodanganallur Villegge, Tirunelveli 7.Equitable mortgage on Agricultural land at Vallalnathi Villegge, Andipatti Subdivision Collateral Securities : Hypothecation on Current Assets, Fixed Assets (Other charge sharing banks), Common Personal Guarantee provided by T. Balakumar, Sudha Alagarsamy			
TOTAL							16,175.23	16,042.17

*These loans pertain to our wholly-owned subsidiary Subam Paper and Boards Private Limited.

UNSECURED LOANS FROM RELATED PARTIES:

Name of Lender	Relation	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
Ms. Sudha Alagarsamy	Promoter & Director	114.24	114.24
Mr. T Balakumar	Promoter & Director	33.29	33.29
Total		147.53	147.53

UNSECURED LOANS FROM OTHERS:

Name of Lender	Outstanding as on March 31, 2024 (₹ in lakhs)	Outstanding as on May 31, 2024 (₹ in lakhs)
MYND Solution Private Limited	2,018.00	2,005.26
Total	2,018.00	2,005.26

SECTION X: LEGAL AND OTHER INFORMATION

GOVERNMENT AND OTHER STATUTORY APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “**Key Industry Regulations and Policies**” at page 174 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has its business located at the following locations:

Sr. No.	Location	Usage
1.	Tirunelveli Taluk, in Vaduganpatti Village, (Ayan Punja Land) comprised in S. No. 143, 5 Acre 16 cent, S. No. 144, 5 Acre 28 Cent, S. No. 145 7 Acre 8 Cent, in S.No. 146 out of the 5Acre 20 Cent, the northernmost and central portion comprising of Acre 4 and Cent 70. Thus totally 22 Acre 22 cent for an extent of 8.99.60 Hectare of Punja land.	Registered Office & Factory
2.	S. F.No.173/1B PeriyakattyuThottam, Velampatti, North Avinashipalyam Village, Tiruppur – 641665	Godown
3.	Vallalnathi Village, Auntipatti Taluk, Theni District 1. Survey Field No. 627/3B admeasuring 7 cents equal to 0.03.0 Hectare on the Southern Side out of the total extent of 10 cents equal to 0.04.0 hectare. 2. Survey Field No. 627/4 measuring 69 cents equal to 0.28.0 Hectare on the Southwest Side out of the total extent of 1 acre 24 cents equal to 0.50.0 hectare. 3. Survey Field No. 627/45 total extent of 1 acre 24 cents equal to 0.50.0 hectare.	Windmill
4.	Vallalnathi Village, Auntipatti Taluk, Theni District 1. Survey Field No. 635/4 of 62 cents equal to 0.25.0 hectare. 2. Survey Field No. 635/5A admeasuring 27 cents equal to 0.11.0 Hectare on the Eastern Side out of the total extent of 89 cents equal to 0.36.0 hectare. 3. Survey Field No. 635/8B1 admeasuring total extent of 1.11 acres equal to 0.45.0 hectare.	Windmill
5.	Tirunelveli Registration District, Pettai Sub- Registration District, Tirunelveli Taluk, in Sankanthiradu Village, (Ayan Punja Land) comprised in S.No. 509/1, 2 Acre 92 cent, S.No. 509/2, in the toatal extent of 4 Acre 6 Cent the undivided extent of 3 Acre, 33 Cent, S.No. 510/1 2 Acre 13 Cent, in S.No. 510/2, 3 Acre 74 Cent, in S.No. 473/1 out of the total extent of 2 Acre 91 cent, the undivided extent of 1 Acre, 93 cent, S.No. 473/2, out of the total extent of 6 Acre 59 cent, the undivided extent of 4 Acre, 64 cent, S.No. 504/1, 4 Acre 6 Cent, S.No. 503/1 1 Acre 86 Cent, in S.No. 503/2, 6 Acre 78 Cent, in S.No. 474/1 out of the total extent of 3 Acre 97 cent, the undivided extent of 3 Acre, 63 cent, in S.No. 474/2, out of the total extent of 9 Acre 97 cent, the undivided extent of 6 Acre, 81 cent, S.No. 508/4, 1 Acre 30 Cent, S.No. 508/5, 2 Cent, Thus totally 43 Acres 15 Cent of Land and all other usual things attached to the land. The above-mentioned property having the Patta No. 692 and situated within the Panchayat Board Limits of Sankanthiradu Village.	Solar Plant
6.	Tirunelveli Taluk, in Sankanthiradu Village, (Ayan Punja Land) comprised in S.No. 515/1, 4 Acre 23 cent, S.No. 515/2, 3 Acre, 5 cent, S.No. 511/1 2 Acre, 77 Cent, S.No. 511/2 5 Acre 19 Cent, S.No. 472/1 in the toatal extent of 2 Acre 39 Cent the undivided extent of 2 Acre, S.No. 472/2 out of the total extent of 11 Acre 35 cent, the undivided extent of 4 Acre, Thus totally 21 Acres 24 Cent of Land and all other usual things attached to the land. The above-mentioned property having the Patta No. 692 and situated within the Panchayat Board Limits of Sankanthiradu Village.	Solar Plant

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

Corporate Approvals:

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on May 17, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on May 18, 2024 authorized the Issue.
- c) Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated July 11, 2024.
- d) Our Board approved the Red Herring Prospectus pursuant to its resolution dated [●].
- e) Our Board approved the Prospectus pursuant to its resolution dated [●].

Approval from the Stock Exchange:

In-principle approval dated [●] from BSE Limited for using the name of the Exchange in the offer documents for listing of the Equity Shares on SME Platform of BSE Limited (“BSE SME”), issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL:

- a) The company has entered into an agreement dated March 15, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- b) Similarly, the Company has also entered into an agreement dated March 12, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- c) The International Securities Identification Number (ISIN) of our Company is INE0U6201010.

Lenders Consent

Lenders Consent for the Issue:

1. Consent letter dated March 22, 2024 and June 07, 2024 from HDFC Bank
2. Consent letter dated May 06, 2024 from Axis Bank
3. Consent letter dated April 05, 2024 from SBI Bank
4. Consent letter dated March 22, 2024 from ICICI Bank

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of 'Subam Papers Private Limited'	U21012TN2004P TC054403	The Companies Act, 1956	Registrar of Companies, Tamil Nadu	October 06, 2004	Valid Until Cancelled
2.	Certificate of Incorporation on change of name from 'Subam Papers Private Limited' to 'Subam Papers Limited'	U21012TN2004P LC054403	The Companies Act, 2013	Registrar of Companies, Central Processing Centre	May 15, 2024	Valid Until Cancelled

III. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS:

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	AAICS5376E	Income Tax Act, 1961	Income Tax Department, Government of India	October 06, 2004	Valid Until Cancelled
2.	*Tax Deduction Account Number (TAN)	MRIS02961A	Income Tax Act, 1961	Income Tax Department, Government of India	March 16, 2005	Valid Until Cancelled
3.	*Certificate of Registration of Goods and Services Tax (SF 143-145, Vaduganpatti Road, Tirunelveli, Tamil Nadu)	33AAICS5376E1 ZA	Central Goods and Services Tax Act, 2017	Commercial Tax Officer, Commercial Taxes Department, Government of Tamil Nadu	April 02, 2024, w.e.f. July 01, 2017	Valid Until Cancelled
4.	*Certificate of Registration of Central Excise	AAICS5376EXM 001	Central Excise Rules, 2002	Assistant Commissioner of Central Excise, Tirunelveli Division, Government of Tamil Nadu	Issued on December 31, 2004	Valid Until Cancelled
5.	*Certificate of Registration of Sales Tax	527546	Central Sales tax (Registration and Turnover) Rules 1957	Commercial Tax Officer, Palayamkottai, Government of Tamil Nadu	January 10, 2005	Valid Until Cancelled

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
6.	*Certificate of Registration of Profession Tax (Tamil Nadu)	Letter taken from the Panchayat	The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992	(Chairman) Tulukarkulam Panchayat, Manur Panchayat Union	April 25, 2024	Valid Until Cancelled
*All above-mentioned approvals are in the previous name of the Company i.e., Subam Papers Private Limited. The Company is in the process of name change from Subam Papers Private Limited to Subam Papers Limited for all the approvals.						

B. BUSINESS OPERATIONS RELATED APPROVALS:

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	*Udyam Registration Certificate	UDYAM-TN-18-0008970	MSME Development Act, 2006	Ministry of Micro, Small & Medium Enterprises, Government of India	April 05, 2021	Valid Until Cancelled
2.	*Legal Entity Identifier Certification	894500ILXMHMLA9VG210	RBI Guidelines	Reserve Bank of India	July 01, 2019	Expiry on July 08, 2024 Automatic renewal till July 08, 2026
3.	*Certificate of Importer- Exporter Code (IEC)	3505001007	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	Issued on May 27, 2005, updated on July 04, 2023	Valid until Cancelled
4.	*Consent to Operate the Factory	2408157304868	Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention and control of Pollution) Act, 1981, under Rule 6(2) of the Hazardous and other Wastes	State Pollution Control Board, Tamil Nadu	March 20, 2024	March 31, 2025

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
			(Management & Trans-boundary movement) Rules, 2016			
5.	*Registration and Licence to work a Factory at Survey No. 143-146, Vaduganpatti Village, I.C. Pettai, Thirunelveli District - 627010	TVL03006	Factories Act, 1948	Directorate of Industrial Safety and Health, Government of Tamil Nadu	October 09, 2023	December 31, 2024
6.	*Certificate of Stability of Factory or Part of Factory at Vaduganpatti Village	Certificate provided by Chartered Engineer approved vide No. H1/14439/2020	Factories Act, 1948	M. Loganathan, Chartered Engineer, Govt. Approved Valuer	June 24, 2022	June 23, 2025
7.	*Permission under Electricity Act/ Load Sanction for factory at Vaduganpatti Village	SE/TEDC/TIN/AEE/DVT/AE2/F. M/S Subam Papers D 982/14	Electricity Act, 2003	Tamil Nadu Generation And Distribution Corporation Limited	Availed on September 09, 2014 Extended on October 21, 2021	Valid Until Cancelled
8.	*NOC from Fire Department for factory at Vaduganpatti Village	4557/2023	Tamil Nadu Fire Service Act, 1985 and Tamil Nadu Fire Service Rules, 1990 Group G Industrial Building Act and Rules	Tamil Nadu Fire and Rescue Services Department	August 25, 2023	August 24, 2024
9.	*NOC for ground water abstraction	TP/167406661/2023	Environment (Protection) Act, 1986	Special Chief Engineer, Thamiraparani Basin Circle Tirunelveli - 2, Water Resources Department	December 12, 2023	December 11, 2028
10.	*Verification under Legal Metrology (Non automatic weighing instruments - electronic class III and IV) Weight - 60T	PCV TNVL/276/000424/23-07-2022	Legal Metrology Act, 2009	Office of Assistant Controller of Legal Metrology, Govt. of Tamil Nadu	September 23, 2023	September 22, 2024

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
11.	*Verification under Legal Metrology (Non automatic weighing instruments - electronic class III and IV) Weight - 40T	PCV TNVL/276/000951/29-12-2022	Legal Metrology Act, 2009	Office of Assistant Controller of Legal Metrology, Govt. of Tamil Nadu	September 23, 2023	September 22, 2024
12.	*EPCG License for #Export Item Name and Importing : 1.Paper cutting machines, excluding machines with devices such as automatic programme cutting or three knife trimmers	3231003473	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	August 05, 2022	Import Validity : August 05, 2024 Export Obligation : Period : August 05, 2028
13.	*EPCG License for #Export Item Name and Importing: 1. 600/2850 Backing Roll Without Bearing and Seat 2. 295/2800 Applicator Roll Without Bearing and Seat 3. Filter Basket	3231003579	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	August 30, 2022	Import Validity : August 30, 2024 Export Obligation: August 30, 2028
14.	*EPCG License for #Export Item Name and Importing: 1. Part of Machinery For Finishing Paper or Paper Board - Suction Reverse Drum	3231001510	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	August 31, 2021	Import Validity : August 31, 2023 Export Obligation: August 31, 2027
15.	*EPCG License for #Export Item Name and Importing: 1.Part of Machinery For Finishing Paper or Paper Board- 2700/220 Combi, Coater 2700/300 Gloss Calendar with	3231001515	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	August 31, 2021	Import Validity : August 31, 2023 Export Obligation: August 31, 2027

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Standards Accessories					
16.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>1. Paper Cutting Machines, excluding machines with devices such as automatic programme cutting or three knife trimmers CHM- SGT 1400E High Precision Synchronize- Fly Sheeter with Standard Accessories</p> <p>2.Paper Cutting Machines, excluding machines with devices such as automatic programme cutting or three knife trimmers</p> <p>CHM- 1400 High Precision Sheeter Cutter with Standard Accessories</p>	3231001688	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 29, 2021	<p>Import Validity : September 29, 2023</p> <p>Export Obligation : September 29, 2027</p>
17.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>Pressure reducing valves</p> <p>1. Basis Weight Valve VBW -1100, Size 100 mm(4) INCLUDING ACTUATOR VALVE TYPE DIN WAFER, PART NUMBER KB0100826</p> <p>2. Basis Weight Valve Electronic Unit VBW- 1100 Wall Mounting Part Number HB0101022</p>	3231001692	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 29, 2021	<p>Import Validity : September 29, 2023</p> <p>Export Obligation: September 29, 2027</p>

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
18.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>1.Part of Machinery For Finishing Paper or Paper Board - Coating Blade with UOM as Pieces (PCS) - 10 quantity, Numbers (NOS) - 10 Quantity and Pieces (PCS) - 3 Quantity</p>	3231001914	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	November 11, 2021	<p>Import Validity : November 11, 2023</p> <p>Export Obligation: November 11, 2027</p>
19.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>Inner Tube Valves</p> <p>1.Part of Machinery For Finishing Paper or Paper Board- Basis Weight Valve VBW - 1100, Size 100 mm(4) Including ACTUATOR PART NUMBER KB0100826</p> <p>2. Part of Machinery For Finishing Paper or Paper Board-Electronic Unit VBW- 1100 Wall Mounting Part Number HB0101022</p>	3231002886	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	April 04, 2022	<p>Import Validity : April 04, 2024</p> <p>Export Obligation: April 04, 2028</p>
20.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>1. Parts of Machinery For Making or Finishing Paper or Paper Board- Dryer Cylinder (1500*2980*24MM)</p> <p>2. Parts of Machinery For Making or Finishing Paper or Paper Board- Chrome</p>	3231001677	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 28, 2021	<p>Import Validity : September 28, 2023</p> <p>Export Obligation: September 28, 2027</p>

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Dryer Cylinder (1500*2980*24MM)					
21.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>1. Consistency Transmitter Mek-2500 SS, Compl. package, Wetted parts of Stainless Steel. Configured for Screened pulp applications. Package including CPM- 1300 WITH 10 mts Communication cable Cons range : 1.5-6 % including SS measuring vessel 1150 mm (Part - PA0129171) Part Number FMEK- 2500</p>	3231004216	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	January 05, 2023	<p>Import Validity : January 05, 2025</p> <p>Export Obligation: January 05, 2029</p>
22.	<p>*EPCG License for #Export Item Name and Importing:</p> <p>1. Dryer Cylinder (1800*4850MM)</p>	3231004578	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	March 20, 2023	<p>Import Validity : March 20, 2025</p> <p>Export Obligation: March 20, 2029</p>
23.	*Agreement for Energy wheeling from the Group II Wind Energy Generator for wind energy for factory at SF No. 627/3B(P), 627/4(P), 627/5 Survey Field No. 627/3B, Survey Field No. 627/4, Survey Field No. 627/5 of Vallalnathi Village Andipatti Taluk in Theni District	W.F.H.T.S.C NO. T 79	Electricity Act 2003	Tamil Nadu Electricity Board	March 31, 2010	March 30, 2030
24.	*Agreement for Energy wheeling from the Group II Wind Energy	W.F.H.T.S.C NO. T 81	Electricity Act 2003	Tamil Nadu Electricity Board	May 18, 2010	May 17, 2030

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Generator for wind energy for Agreement for Energy wheeling for wind energy for factory at Survey Field No. 635/4, Survey Field No. 635/5A(P), Survey Field No. 635/8B1 SF No. 635/4, 635/5A(P), 635/8B1 of Vallalnathi Village Andipatti Taluk in Theni District					
25.	*Wheeling Agreement for wheeling of energy from the SPG Plant to Subam Papers Private Limited via installation of Solar Plants 10 MW SOLAR PV Plant at for Factory situated at Survey Number 473/1,2, 474/1,2, 503/1,2, 504/1, 508/4,5,509/1,2, 510/1, 2 of Sanganthiradu Village, Tirunelveli Taluk, Tirunelveli District	HT SC NO. SPG-079514720055	Electricity Act 2003	Tamil Nadu Electricity Board	March 30, 2022	March 30, 2047
26.	*Wheeling Agreement for wheeling of energy from the SPG Plant to Subam Papers Private Limited via installation of Solar Plants 4 MW SOLAR PV Plant at for Factory situated at Wheeling Agreement Solar Plants for Factory at Survey Number 427472/1(Pp),472/1,472/2(Pp), 472/2(P), 511/1, 511/2, 515/1, 515/2 of Sanganthiradu Village, Tirunelveli Taluk Talik, Tirunelveli District	HT SC NO. SPG-079514720095	Electricity Act 2003	Tamil Nadu Electricity Board	March 14, 2024	March 30, 2049

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
*All above-mentioned approvals are in the previous name of the Company i.e., Subam Papers Private Limited. The Company is in the process of name change from Subam Papers Private Limited to Subam Papers Limited for all the approvals.						
#Export Item Name- Testliner (Recycled Liner Board) Weighing 150 G / M or Less, Fluting Paper : - Other, Other Kraft Paper and Paperboard Weighing 225 G / M or More : - Unbleached, of a Kind Used For Winding Textile Yarn, Paper Covering, Paper Tubes, Paper And Paper Board						

C. LABOUR LAW RELATED APPROVALS:


Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	*Registration under Employees' Provident Funds	MDTNY0055648000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	November 20, 2023	Valid until Cancelled
2.	*Employees' State Insurance Registration	Employer code: 66000421370000802	Employees State Insurance Act 1948	Employee State Insurance Corporation	April 27, 2015	Valid until Cancelled
3.	*Registration under Certificate under Inter-State Migrant Workmen Act, 1979	IMA/R/TVL03006	The Inter-State Migrant Workmen Regulation of Employment and Condition of Services, Tamil Nadu Rules, 1983	Directorate of Industrial Safety and Health, Government of Tamil Nadu	October 13, 2020	Valid until Cancelled
4.	*Labour Identification Number (LIN) Certification	1-4761-4519-5	Labour Laws	Ministry of Labour and Employment	Screenshot taken from the Portal	Valid until Cancelled
*All above-mentioned approvals are in the previous name of the Company i.e., Subam Papers Private Limited. The Company is in the process of name change from Subam Papers Private Limited to Subam Papers Limited for all the approvals.						

D. QUALITY CERTIFICATIONS:

Sr. No	Nature of Registration	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
1.	*Certificate for Compliance with the Standards of Forest Stewardship Council: FSC-STD-40-004 with the scope: Manufacture of FSC Recycled 100% Kraft papers and Duplex Boards in Rolls and Sheets.	TUV, SUD Czech, Accredited Certification Body	TSUD - COC - 002533	October 31, 2023	October 30, 2028
2.	*Certificate for Management System of the Company under EN ISO 9001:2015 with the following scope: Manufacturing and Marketing of Packaging Paper	TUV Austria	201001730028 22	October 12, 2017	October 11, 2026

*All above-mentioned approvals are in the previous name of the Company i.e., Subam Papers Private Limited. The Company is in the process of name change from Subam Papers Private Limited to Subam Papers Limited for all the approvals.

E. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHT (IPR)

Sr. No.	Description	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Status
1.	*Registration for Trade Mark	4049554 	16	Trade Marks Act, 1999	Trade Mark Registry, Mumbai	January 08, 2019	January 07, 2029	Registered

*Above-mentioned approval is in the previous name of the Company i.e., Subam Papers Private Limited. The Company is in the process of name change from Subam Papers Private Limited to Subam Papers Limited for all the approvals.

F. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

SL No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	www.subampapers.com	PDR Ltd./303	Created on November 04, 2006 Updated on November 04, 2023	November 04, 2024

G. APPROVALS OR LICENSES PENDING TO BE APPLIED:

NIL

H. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

Company has applied for Shops & Establishments Registration under Tamil Nadu Shops and Establishment Act 1947 for Godown situated at "S.F.No. 173/1B2, Periyakattuthottam, velampatti, north Anvinashipalayam Village, Tiruppur – 641665".

GOVERNMENT AND OTHER APPROVALS FOR THE MATERIAL SUBSIDIARY COMPANIES**A. SUBAM PAPER AND BOARDS PRIVATE LIMITED:****I. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY**

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of 'Subam Paper and Boards Private Limited'	U21000TN2020P TC136504	The Companies Act, 2013	Registrar of Companies, Central Registration Centre	July 19, 2020	Valid Until Cancelled

II. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS:

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	ABDCS9966N	Income Tax Act, 1961	Income Tax Department, Government of India	July 19, 2020	Valid Until Cancelled
2.	Tax Deduction Account Number (TAN)	MRIS09749F	Income Tax Act, 1961	Income Tax Department, Government of India	July 19, 2020	Valid Until Cancelled
3.	Certificate of Registration of Goods and Services Tax (Tamil Nadu)	33ABDCS9966N1ZI	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax, Commercial Taxes Department, Government of Tamil Nadu	Date of Issue: June 01, 2022 w.e.f. August 03, 2020	Valid Until Cancelled

B. BUSINESS OPERATIONS RELATED APPROVALS:

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Udyam Registration Certificate	UDYAM-TN-18-0000681	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	August 04, 2020	Valid Until Cancelled
2.	Legal Entity Identifier Certification	89450007OXX625ETN265	RBI Guidelines	Reserve Bank of India	September 16, 2021	October 06, 2026
3.	Certificate of Importer-Exporter Code (IEC)	ABDCS9966N	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry,	September 03, 2020	Valid Until Cancelled

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
				Government of India		
4.	Consent to Establish the Factory at Tirunelveli Rd. Including Punchai land of Ayan Punchai Survey No. 128/ 129/ 140/141 and 142	2001233945566	Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention and control of Pollution) Act, 1981, under Rule 6(2) of the Hazardous and other Wastes (Management & Trans-boundary movement) Rules, 201	Tamil Nadu Pollution Control Board, Tirunelveli	September 18, 2020	March 31, 2025
5.	Consent to Operate the Factory at S.145/2A, 145/2C1, 145/2C2, Naduvakurichi Minor Village Sankarankovil Taluk and Taenkasi District Consent to Operate the Factory at S.145/2A, Periyasamiyapuram Salai, Naduvakurichi Minor Village, Tirunelveli, Tamil Nadu 627 753	Consent Order No. 2305137240123	Section 21 of the Air (prevention and control of pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981)	Tamil Nadu Pollution Control Board, Tirunelveli	December 06, 2023	March 31, 2028
6.	Registration and Licence to work a Factory at S.145/2A, Periyasamiyapuram Salai, Naduvakurichi Minor Village, Tirunelveli, Tamil Nadu 627 753	TVL03155	Factory Act, 1948	Directorate Industrial Safety and Health, Tamil Nadu	October 26, 2021	December 31, 2024
7.	*Certificate of Stability of Factory or Part of Factory at SF NO. 145 Periyasayapuram Road, Naduvakurichi Minor Village, Sankarankovil, Tenkasi District	Certificate provided by Chartered Engineer approved vide No. H1/20747/2023	Factories Act, 1948	M. Loganathan, Chartered Engineer, Govt. Approved Valuer	June 17, 2024	Valid Until Cancelled

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
8.	Permission under Electricity Act/ Load Sanction	Ref No.: 079094720308 211227345	Electricity Act, 2003	Superintending Engineer, Tirunelveli Electricity Distribution Circle, Tamil Nadu Generation And Distribution Corporation Limited	August 03, 2021	Valid Until Cancelled
9.	NOC from Fire Department for factory at Vaduganpatti Village	4557/2023	Tamil Nadu Fire Service Act, 1985 and Tamil Nadu Fire Service Rules, 1990 Group G Industrial Building Act and Rules	Tamil Nadu Fire and Rescue Services Department	August 25, 2023	August 24, 2024
10.	Condoned Renewal of No Objection Certificate (NOC) for ground water abstraction (128, 129, 141 and 142/Vaduganpati/Tirunelveli)	143/2024(R-1)	Environment (Protection) Act, 1986	Chief Engineer WRD, SG & SWRDC, Tharamani, Chennai, Govt. of Tamil Nadu	March 15, 2024 w.e.f. November 28, 2023	November 27, 2024
11.	*Verification under Legal Metrology (Non automatic weighing instruments - electronic class III and IV) 1000kg	PCV TNVL/2/0050 12/30-12-2022	Legal Metrology Act, 2009	Office of Assistant Controller of Legal Metrology, Govt. of Tamil Nadu	December 28, 2023	December 27, 2024
12.	*Verification under Legal Metrology (Non automatic weighing instruments - electronic class III and IV) 60 t	PCV TNVL/368/00 4544/26-12-2022	Legal Metrology Act, 2009	Office of Assistant Controller of Legal Metrology, Govt. of Tamil Nadu	December 23, 2023	December 22, 2024
11.	EPCG License for #Export Item Name And Importing: Other Machines and Mechanical appliances:- Mixing, kneading,	3231001566	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 07, 2021	Import Validity : September 07, 2023 Export Obligation ("EO")Period : September 07, 2027

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	crushing, grinding, screening, sifting, homogenising, emulsifying or stirring machines.					
12.	EPCG License for #Export Item Name And Importing: Part of Machinery for finishing/sizing paper and paper board with all standard accessories.	3231001567	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 07, 2021	Import Validity : September 07, 2023 EO Period : September 07, 2027
13.	EPCG License for #Export Item Name And Importing: Film Size Press.	3231001286	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	July 20, 2021	Import Validity : July 20, 2023 EO Period : July 20, 2027
14.	EPCG License for #Export Item Name And Importing: Machinery for finishing paper and paper board.	3231001287	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	July 20, 2021	Import Validity : July 20, 2023 EO Period : July 20, 2027
15.	EPCG License for #Export Item Name And Importing: Web Stabilizer Material: Stainless Steel 304 With Thickness of 2.0mm Seal, Industrial Fans And Blowers, Parts :- of Machinery For Making Pulp Of Fibrous Cellulosic Material, Fan For 1 Cylinder Web Stabilizer Blower Capacity: 6650 M3/Hr Blower,	3231001689	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 29, 2021	Import Validity : September 29, 2023 EO Period : September 29, 2027


Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Heat Exchanger For 1 Cylinder Web Stabilizer Heat Exchange Area					
16.	EPCG License for #Export Item Name And Importing: VAC Roll with standard accessories.	3231001694	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 29, 2021	Import Validity : September 29, 2023 EO Period : September 29, 2027
17.	EPCG License for #Export Item Name And Importing: Machinery for finishing paper or paper board.	3231002331	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	January 17, 2022	Import Validity : January 17, 2024 EO Period : January 17, 2028
18.	EPCG License for #Export Item Name And Importing: Machinery for finishing paper or paper board.	3231002456	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	February 04, 2022	Import Validity :February 04, 2024 EO Period : February 04, 2028
19.	EPCG License for #Export Item Name And Importing: Machinery for finishing paper or paper board.	3231003303	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	July 01, 2022	Import Validity :July 01, 2024 EO Period : July 01, 2028
20.	EPCG License for #Export Item Name And Importing: Machinery for finishing paper or paper board.	3231003409	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	July 25, 2022	Import Validity :July 25, 2024 EO Period : July 25, 2028
21.	EPCG License for #Export Item Name And Importing:	3231003427	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry,	July 28, 2022	Import Validity :July 28, 2024 EO Period : July 28, 2028

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Gears and Bearings., other than toothed wheels, chain sprockets and other transmission elements presented separately; ball or roller screws; gear boxes and other speed changers, including torque converters , Gearboxes for former Scheufelen Lenningen PM, 5 max. V= 950 m/min with Flexo Gear System Typ KS295 with coupling			Government of India		
22.	EPCG License for #Export Item Name And Importing: Pressure Reducing Valves	3231003428	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	July 28, 2022	Import Validity :July 28, 2024 EO Period : July 28, 2028
*Manufacturing related licenses are in the name of Unicone, which is a proprietorship firm of the promoter, T Balakumar. As per the Usage Agreement dated January 09, 2023, the licenses in the name of Unicone can be used by Subam Paper and Boards Private Limited. The Usage Agreement is co-terminus with the Lease Agreement and shall automatically stand terminated in the event of termination of the Lease Agreement						
#Export Item Name- Testliner (Recycled Liner Board) Weighing 150 G / M Or Less, Fluting Paper : - Other, Other Kraft Paper And Paperboard Weighing 225 G / M or More : -- Unbleached, of A Kind Used For Winding Textile Yarn, Paper Covering, Paper Tubes, Paper and Paper Board						

C. LABOUR LAW RELATED APPROVALS:

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Registration under Employees' Provident Funds	MDTNY2138694000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	November 30, 2021	Valid until Cancelled
2.	Employees' State Insurance Registration	ESIC code: 66000449070000801	Employees State Insurance Act 1948	Employee State Insurance Corporation	Data from Screenshot of the portal	Valid until Cancelled
3.	Labour Identification Number (LIN) Certification	1-3452-3223-0	Various Labour Laws	Ministry of Labour & Employment	Verified Online	Valid until cancelled

III. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHT (IPR)

Name of the Owner	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Status
*Subam Papers Limited	4049554 	16	Trade Marks Act, 1999	Trade Mark Registry, Mumbai	January 08, 2019	January 07, 2029	Registered
*The said trademark is registered in the name of our Holding Company i.e. Subam Papers Limited and NOC for the same has been received on August 07, 2020.							

IV. APPROVALS OR LICENSES PENDING TO BE APPLIED:

1. Subam Paper and Boards Private Limited is yet to apply for NOC from fire department for Operational factory at S.145/2A, Periyasamiyapuram Salai, Naduvakurichi Minor Village, Tirunelveli-627 753, Tamil Nadu.

V. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

NIL

B. SUBAM AGRO VENTURES PRIVATE LIMITED

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of 'Haji Agro Farm Private Limited'	U01111TN2004PTC054666	The Companies Act, 1956	Registrar of Companies, Tamil Nadu	November 17, 2004	Valid Until Cancelled
2.	Certificate of Incorporation on change of name from 'Haji Agro Farm Private Limited' to 'Rajselva Agro Farms Private Limited'	U01111TN2004PTC054666	The Companies Act, 1956	Registrar of Companies, Chennai	May 05, 2010	Valid Until Cancelled
3.	Certificate of Incorporation on change of name from 'Rajselva Agro Farms Private Limited' to 'Subam Agro Ventures Private Limited'	U01111TN2004PTC054666	Rule 29 of the Companies (Incorporation) Rules, 2014, The Companies Act, 2013	Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands	June 03, 2022	Valid Until Cancelled

II. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS:

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	AABCH7104E	Income Tax Act, 1961	Income Tax Department, Government of India	November 17, 2004	Valid Until Cancelled
2.	Tax Deduction Account Number (TAN)	MRIS12941F	Income Tax Act, 1961	Income Tax Department, Government of India	June 03, 2024	Valid Until Cancelled

III. APPROVALS OR LICENSES PENDING TO BE APPLIED:

NIL

IV. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

NIL

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no:

- (i) criminal proceedings;
- (ii) actions by statutory or regulatory authorities;
- (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action;
- (iv) claims relating to direct and indirect taxes; and
- (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board of Directors, in its meeting held on May 17, 2024, determined that outstanding litigation involving our Company, its directors, its promoters, and group companies shall be considered material (“**Material Litigation**”) if:

- the monetary amount of claim by or against the entity or person in any such pending matter exceed ₹ 50.00 Lakhs.
- the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

Our Board of Directors, in its meeting held on May 17, 2024, determined that outstanding dues to the small-scale undertakings and other creditors exceeding ₹ 50.00 Lakhs of the Company’s trade payables for the last audited financial statements shall be considered material dues for the company for the purpose of disclosure in this Draft Red Herring Prospectus. (“**Material Dues**”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at www.subampapers.com.

Our Company, its Directors and its Promoters are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) Criminal proceedings filed by the Company

1. The Company has filed Criminal Complaint no. STC /126 / 2022 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against Indhumathi in the Court of Special Judicial Magistrate Negotiable Instrument Act, Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued five cheques with a total amount of Rs. 6,57,902 drawn on Tamilnad Mercantile Bank Ltd. as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	036102	March 16, 2021	50,000
2	036103	March 16, 2021	1,00,000
3	036104	March 16, 2021	50,000
4	036105	March 16, 2021	1,00,000
5	036106	March 16, 2021	3,57,902

The above mentioned cheques were presented on March 16, 2021 and returned unpaid on March 18, 2021 with the reason account blocked. The Company sent the legal notice on April 2, 2021 which was returned on April 14,

2021 but the accused did not pay the said amount, Accordingly this complaint has been filed which is still pending in the court.

- The Company has filed Criminal Complaint no. STC /236/ 2021 U/S 138 read with Section 142 of the Negotiable Instrument Act, 1881 against Karuppasamy Yuvarani in the Court of Special Judicial Magistrate Negotiable Instrument Act, Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued one cheque no 053155 dated July 19, 2019 for Rs. 1,32,601 drawn on State Bank of India.

The above-mentioned cheque was presented on August 19, 2019, however, it was returned unpaid on August 20, 2019 with the reason "Funds Insufficient". The Company sent the legal notice on September 12, 2019 but the accused did not pay the said amount. Accordingly this complaint has been filed which is still pending in the court.

- The Company has filed Criminal Complaint no. STC /237 / 2021 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against N. Saradhammal in the Court of Special Judicial Magistrate Negotiable Instrument Act, Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued Two post-dated cheques with a total amount of Rs. 3,46,955 drawn on Tamilnad Mercantile Bank Ltd. as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	621911	April 15, 2019	1, 50,000
2	621914	April 22, 2019	1,96,955

The above mentioned cheques were presented on April 20, 2019 and April 23, 2019 and were returned unpaid on April 22, 2019 and April 24, 2019 with the reason "Exceeds Arrangement". The Company sent the legal notice on May 20, 2019, but the accused did not pay the said amount, Accordingly this complaint has been filed which is still pending in the court.

- The Company has filed Criminal Complaint no. STC /235 / 2021 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against S. Pradeep Raj in the Court of Special Judicial Magistrate Negotiable Instrument Act, Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued one cheque no 037930 dated May 26, 2020 for Rs. 5,93,875 drawn on Central Bank of India.

The above mentioned cheque was presented on May 26, 2020 and was returned unpaid on May 27, 2020 with the reason "Exceeds Arrangement". Accordingly this complaint has been filed which is still pending in the court.

- The Company has filed Criminal Complaint no. STC /234 / 2021 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against Selvakumar in the Court of Special Judicial Magistrate Negotiable Instrument Act Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued one cheque no 061158 dated December 28, 2020 for Rs. 10,52,938 drawn on Bank of India.

The above mentioned cheque was presented on December 28, 2020 was returned unpaid on December 29, 2020 with the reason "Funds Insufficient", The Company sent the legal notice on January 20, 2021 within one month from the date of the dishonour of the said cheque on December 29, 2020, but the accused did not pay the said amount, Accordingly this complaint has been filed which is still pending in the court.

- The Company has filed Criminal Complaint no. CC/400050/2013 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against Arunachala Packaging corporation in the Court of Judicial Magistrate, Sankarankovil. Company has alleged that the accused had purchased Kraft papers for which the accused has issued three cheques with a total amount of Rs. 16,00,000 drawn on Canara Bank as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	136341	December 13, 2012	6,00,000
2	136343	December 13, 2012	5,00,000
3	136344	December 13, 2012	5,00,000

The above mentioned cheques were presented on January 04, 2013 and returned unpaid on January 04, 2013 with the reason "Funds Insufficient". Accordingly this complaint has been filed which is still pending in the court.

7. The Company has filed Criminal Complaint no. CC/400249/2014 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against Akalya Packaging Transport Arulmozhi and 2 others, KL Vasanthakumari and Arulmozhi in the Court of Judicial Magistrate, Sankarankovil. Company has alleged that the accused had purchased Kraft papers for which the accused has issued three cheques with a total amount of Rs. 2,58,948 drawn on Indian Bank as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	942741	March 01, 2014	1,00,000
2	942777	March 12, 2014	27,550
3	942778	March 16, 2014	1,01,000
4	942779	March 15, 2014	30,398

The above mentioned cheques were presented on March 25, 2014. Two of the above four cheques dated March 01, 2014 and March 16, 2014 were returned with the reason "Funds Insufficient" and other two cheques dated March 12, 2014 and March 15, 2014 were returned with the reason as "Refer to Drawer" on March 29, 2014. Accordingly this complaint has been filed which is still pending in the court.

8. The Company has filed Criminal Complaint no. STC/4000221/2016 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against Aditya Packing Solutions and another in the Court of Special Judicial Magistrate, Sankarankovil. Company has alleged that the accused had purchased Kraft papers for which the accused has issued five cheques with a total amount of Rs. 9,09,021 drawn on Indian Overseas Bank. The following 2 cheques were presented by the Company for payment on April 20, 2016.

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	763303	April 20, 2016	2,00,000
2	763304	April 20, 2016	2,00,000

The above mentioned cheques were returned unpaid on April 25, 2016 with the reason "Kindly contact drawer/drawee bank and present again. The Company in consultation with the accused presented the cheques again on May 11, 2016 which was returned on May 17, 2016 with the same reason. Company sent a legal notice on June 2, 2016 which was again returned with the reason "not claimed return to sender" on June 15, 2016. Accordingly this complaint has been filed which is still pending in the court.

9. The Company has filed Criminal Complaint no. STC/372/2022 U/S 138 read with Section 142 of the Negotiable Instrument Act, 1881 against T. Velavan in the Court of Special Judicial Magistrate Negotiable Instrument Act Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued four cheques with a total amount of Rs. 7,00,000 drawn on Punjab National Bank as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	500415	April 25, 2019	1,00,000
2	644594	April 25, 2019	2,00,000
3	644595	April 25, 2019	2,00,000
4	644596	April 25, 2019	2,00,000

The above mentioned cheques were presented April 30, 2019 and returned unpaid on May 01, 2019 with the reason "Funds Insufficient". Accordingly this complaint has been filed which is still pending in the court.

10. The Company has filed Criminal Complaint no. STC/557/2023 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against S. Subaitha Beevi in the Court of Special Court for the Exclusive Trial of NI Act Cases, Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued 13 cheques with a total amount of Rs. 750,000 drawn on City Union Bank as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	935420	February 28, 2018	50,000
2	935421	March 30, 2018	50,000
3	935422	March 30, 2018	50,000

4	935423	March 30, 2018	50,000
5	935424	March 30, 2018	50,000
6	935425	March 30, 2018	50,000
7	935426	April 30, 2018	50,000
8	935427	April 30, 2018	50,000
9	935428	April 30, 2018	50,000
10	935429	May 02, 2018	50,000
11	935430	May 02, 2018	50,000
12	935431	May 02, 2018	50,000
13	935448	May 02, 2018	1,50,000

The above-mentioned cheques were presented on May 24, 2018 and returned unpaid on May 25, 2018 with the reason "Exceeds Arrangement" The Company sent the legal notice on June 02, 2018. but the accused did not pay the said amount, Accordingly this complaint has been filed which is still pending in the court.

11. The Company has filed Criminal Complaint no. STC/238/2021 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against C. Sylvia in the Court of Special Judicial Magistrate Negotiable Instrument Act Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused has issued one cheque no 090239 dated February 13, 2020 for Rs. 4,21,389 drawn on State Bank of India.

The above-mentioned cheque was presented on February 14, 2020 and returned unpaid on February 15, 2020 with the reason "Payment Stopped by the drawer". The Company presented the cheque again but it was returned with the same reason on March 21, 2020. Accordingly this complaint has been filed which is still pending in the court.

12. The Company had filed Criminal Complaint number STC No: 264 of 2021 dated July 27, 2023 against J Naveed Ahamed in the Court of Special Judicial Magistrate Negotiable Instruments Act, Tirunelveli on account of dishonour of cheque of Rs. 5,19,132. The Learned Court passed the order in favour of the Company and passed a sentence against the accused for undergoing Six months Simple Imprisonment. The accused has filed an CRL Appeal no. CRLA/139/2023 filed on August 25, 2023 before the Hon'ble Session Court Tirunelveli. The matter is still pending in the court.

13. The Company had filed a Criminal Complaint (CRLMP) number 120 of 2024 dated February 06, 2024 against Mr. R. Sathiskumar in the Court of Special Judicial Magistrate The Company had filed a Criminal Complaint (CRLMP) number 120 of 2024 dated February 06, 2024 against Mr. R. Sathiskumar in the Court of Special Judicial Magistrate (Negotiable Instruments Act), Tirunelveli on account dishonour of cheque of Rs. 5,00,000/-. The Company has alleged that the accused had purchased Kraft papers for which the accused had issued one cheque no 13587 dated November 25, 2023 for Rs. 500,000/- drawn on Tamilnad Mercantile Bank, Sivakasi branch.

The above-mentioned cheque was presented on November 30, 2023 and returned unpaid on the same date, with the reason "Funds Insufficient". The Company sent the legal notice on December 10, 2023. but the accused did not pay the said amount, Accordingly this complaint has been filed which is still pending in the court.

14. The Company has filed a Criminal Case (CC) number 400235 of 2018 dated December 11, 2018 against Mr. Nichar Abraham, Owner Alif Cartnos in the Court of Judicial Magistrate Sankarankovil on account of dishonour of five cheques amounting to Rs. 3,26,966. The Company has alleged that the accused had purchased Kraft papers for which the accused had issued five cheques drawn on Union Bank of India, Kumarapuram, Ernakulam Branch as per following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	81384	September 15, 2016	65,000
2	81385	September 20, 2016	65,000
3	81386	September 24, 2016	65,000
4	81387	September 27, 2016	65,000
5	81388	September 30, 2016	66,966

The Cheque no. 81384 was presented on September 17, 2016, Cheque no. 81385 was presented on September 19, 2016, Cheque no. 81386 and 81387 were presented on September 26, 2016 and Cheque no. 81388 was presented on September 30, 2016. All the cheques were returned unpaid on September 21, 2016, September 21, 2016, September 29, 2016, September 29, 2016 and October 04, 2016 respectively with the reason "Funds Insufficient" with a return memo from the Tamilnad Mercantile Bank, Sankarankovil Branch. The Company had again presented the cheques for collection on October 21, 2016 to its banker Tamilnad Mercantile Bank, Sankarankovil Branch but were returned unpaid on the same date for the reason "Funds Insufficient" with a return memo. The Company sent the legal notice within 15 days of receipt but the accused did not pay the said amount. Accordingly, this complaint has been filed which is still pending in the court.

15. Company has filed Criminal Complaint no. STC/400022/2016 U/S 138 read with Section 142 of the Negotiable Instrument Act 1881 against Aditya Packing Solutions and another in the Court of Judicial Magistrate Sankarankovil. Company has alleged that the accused had purchased Kraft papers for which the accused has issued five cheques with a total amount of Rs. 9,09,021/- drawn on Indian Overseas Bank. The following 3 cheques were presented by the Company for payment on May 31, 2016.

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	763305	May 31, 2016	2,00,000
2	763306	May 31, 2016	2,00,000
3	763307	May 31, 2016	1,09,021

The above mentioned cheques were returned unpaid on May 31, 2016 with the reason "Kindly contact drawer/drawee bank and present again" on June 04, 2016. Company sent a legal notice on June 17, 2016 which was again returned with the reason "not claimed return to sender" on June 23, 2016. Accordingly this complaint has been filed which is still pending in the court.

16. Company has filed Criminal Complaint no. STC/154/2022 U/S 138 read with Section 142 of the Negotiable Instruments Act, 1881 against A. P Selvam operating under the proprietorship firm APS Agencies in the Court of Judicial Magistrate No. 4, Tirunelveli. Company has alleged that the accused had purchased Kraft papers for which the accused had issue four cheques with a total amount of Rs. 9,23,908/- drawn on City Union Bank, Sattur Branch. The following 4 cheques were presented by the Company for payment and were returned on February 19, 2018 with the reason "Funds Insufficient".

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	000028	February 17, 2018	3,57,146
2	000029	February 17, 2018	61,006
3	000030	February 17, 2018	2,34,025
4	000031	February 17, 2018	2,31,731

Company sent a legal notice on February 27, 2018 which was received but the accused did not make any payment. Accordingly, this complaint has been filed which is still pending in the court. The Appeal Application has been filed by A. P. Selvam in the court of Principal Session Judge Tirunelveli in CRLA/40/2024 aggrieved by the decision of the case Special controller Exclusive Trial of Negotiable Instruments Act, Tirunelveli in S.T.C. No. 154/2022 and accordingly this matter is still pending in the Court.

17. The Company has filed Criminal Complaint no. CC/400005/2018 U/S 138 read with Section 142 of the Negotiable Instruments Act, 1881 against Supreme Coated Board Mills Private Limited in the Combined Court of Sankarankovil, Tirunelveli. Company has alleged that the accused had purchased chemicals from the Company

for which the accused had issue 9 cheques with a total amount of Rs. 17,01,181/- drawn on City Union Bank, Sivakasi Branch as per the following details:

S.r. No.	Cheque No.	Date of Cheque	Amount (Rs.)
1	906524	February 21, 2017	2,00,000
2	906525	February 22, 2017	2,00,000
3	906527	February 24, 2017	2,00,000
4	906528	February 27, 2017	2,00,000
5	906529	February 28, 2017	2,00,000
6	906526	February 23, 2017	2,00,000
7	906530	March 01, 2017	2,00,000
8	906531	March 02, 2017	2,00,000
9	906532	March 03, 2017	101,181

The above-mentioned cheques were presented on March 08, 2017 and returned unpaid with the reasons “Exceeds Arrangement” “Funds Insufficient” etc. The Company sent the legal notice on June 12, 2017, but the accused did not pay the said amount. Accordingly, this complaint was filed which is still pending in the court.

(c) Other pending material litigations against the Company

1. A Case No. MSEFC/CBER/86/2021 U/s 18(1) of MSME Development Act for recovery of Rs. 1,36,39,326 has been filed by Ms. Jayam Papers Chemicals against the Company in the MSE Facilitation Council towards the remaining amount due for goods supplied with interest calculated in terms of the MSMED Act. The MSE Facilitation Council passed an order dated January 20, 2022 holding that the Company was liable to pay the principal sum of Rs. 1,36,39,326 together with compounding interest with monthly rests at three times of the bank rate notified by Reserve Bank of India as stipulated in Sections 15 and 16 of the MSMED Act from the appointed due dates respectively till payment. The Company filed the Writ Petition W.P (MD) No. 18113 of 2022 before the Madurai Bench of Madras High Court under Article 226 of the Constitution claiming that the prescribed procedure for conciliation had not taken place before passing the Arbitral award. The Hon’ble High Court set aside the impugned order dated January 20, 2022 and ordered that MSE Facilitation Council shall conduct the Conciliation proceeding again as per the procedure mentioned in the MSMED Act. Accordingly, the matter is still ongoing before MSE Facilitation Council.
2. A Commercial Original Suit No. 1/2024 was filed by PG Exports LLC, a proprietorship firm of USA, through POA holder P. Venugopal against the Company on August 31, 2023 before the Principal District Judge, Tirunelveli. The Plaintiff has alleged that the Company was their customer and used to purchase the raw material from them. The Company did not pay an outstanding amount of Rs. 45,67,478.72 as on August 31, 2020 against the Bill of Entry number 3368522 dated May 24, 2019. A legal notice was sent by the plaintiff to our Company on April 27, 2023. The said amount along with interest at the rate of 12 % per annum aggregates to Rs. 77,87,551 along with future interest at the rate of 18% till the rate of realisation. Our Company has filed a reply to the said plaint contesting the facts and the matter is still pending in the Court.

(d) Other pending material litigations filed by the Company

1. The Company has filed an Original Suit no. COS/12/2023 against Mrs. Rajathi, Proprietor RR Traders U/s 26 and Order 7 Rule 01 of Civil Procedure Code, 1908. The Company has alleged that the defendant was buying Kraft papers from the Company on credit basis on various occasions. However the defendant failed to pay the outstanding dues of the Company amounting to Rs. 52,74,272 for the purchases from September 2018 to October 2018 as per the details below:

Invoice No.	Invoice Date	Invoice Amount (in Rs.)
1492	September 08, 2018	81,673
1518	September 14, 2018	2,02,317
1524	September 16, 2018	2,00,775
1525	September 16, 2018	1,43,184
1529	September 17, 2018	2,01,618
1553	September 19, 2018	2,01,449

Invoice No.	Invoice Date	Invoice Amount (in Rs.)
1560	September 20, 2018	3,66,537
1579	September 21, 2018	2,58,596
1600	September 27, 2018	2,43,571
1659	September 27, 2018	2,50,005
1691	September 29, 2018	1,54,822
1695	September 30, 2018	1,45,497
1708	September 30, 2018	2,02,558
1711	October 01, 2018	2,44,414
1713	October 01, 2018	2,44,969
1717	October 02, 2018	1,63,569
1730	October 02, 2018	2,47,908
1740	October 03, 2018	2,36,149
1752	October 05, 2018	2,03,666
1772	October 06, 2018	2,09,064
1781	October 07, 2018	1,25,737
1782	October 07, 2018	84,749
1809	October 10, 2018	1,94,317
1845	October 14, 2018	1,94,943
1965	October 30, 2018	2,18,605
1972	October 31, 2018	79,854
1973	October 31, 2018	1,73,996
	Total	52,74,272 (As per the complaint)

Defendant gave four post-dated cheques with following details:

- Cheque No. 000203 dated November 06, 2018 for Rs. 7,50,000 was presented on November 08, 2018 and returned on November 09, 2018
- Cheque No. 000204 dated November 12, 2018 for Rs. 7,50,000 was presented on November 12, 2018 and returned on November 13, 2018
- Cheque No. 000205 dated November 16, 2018 for Rs. 7,50,000 was presented on November 16, 2018 and returned on November 17, 2018
- Cheque No. 000207 dated November 24, 2018 for Rs. 7,50,000 was presented on November 26, 2018 and returned on November 27, 2018

All the cheques were returned unpaid with the reasons “Funds Insufficient” on presentation by the Company. Company sent the Legal Notice on August 04, 2021 for payment of Rs. 52,72,264/-. However legal notice was returned as unclaimed. Accordingly this suit has been filed which is still pending in the court.

2. The Company has filed Commercial Original Suit no. COS/03/2022 against Ramanathan, Himalayam Kartons rep., Tirupur-605, Kwaliti Packaging, rep., Rajapalayam, Sri Mahalakshmi Paper Industries, rep., Dindigul, Giri Packers, rep., Pudukottai, Sky Well Pack, rep., Pollachi-3, Srinivasa Packagings, rep, Sattur, Quality Cartons, rep, Rajapalayam, K. R. Package, rep., Sivakasi, Thiruvenkida Vasan Packaging, rep. Madurai-11 and 9 others.

Mr. Ramanathan is running an agency in the name and style of VAC Agencies. The Company was supplying Kraft papers to various customers through Mr. Ramanathan and giving a commission to him for his services. Mr. Ramanathan was getting purchase orders from various customers and Company was supplying Kraft papers directly to the customers and raising the invoices on the customers. However, many of the customers defaulted on the payments on various occasions for which the Company issued the legal notices on September 23, 2020. Later when the amount was still unpaid the Company filed this suit for recovery of their dues of Rs. 44,94,758 from Mr. Ramanathan and the other entities mentioned in the suit. The suit is still pending in the court.

3. Company has filed a Civil Revision Petition CRP(MD) No. 1314/2011 and a Civil Miscellaneous Appeal C.M.A. (MD) No. 1351/2012 against the orders dated May 18, 2011 and April 30, 2012 of Deputy Commissioner of Workmen Compensation, Tirunelveli in Workman Claim case W.C. No. 49 of 2008 by Mr. A. Kandhan, a former workman in the factory of the Company. Mr. Kandhan met with an accident while working in the factory on April

21, 2007 and sustained injuries. Company took care of his medical expenses. However, Mr. Kandhan filed Workman Claim against the Company before Deputy Commissioner Workman Claim, Tirunelveli for a compensation of Rs. 1,75,671.60 claiming loss of earning capacity of 52%. Company filed an application praying for appearance of the workman before medical board for determination of loss of ability which was denied by the Deputy Commissioner Workman Compensation vide order dated May 18, 2011. Further the Deputy Commissioner Workman Compensation vide his order dated April 30, 2012 allowed compensation of Rs.1,85,286/- against the Company. Company deposited the amount on September 20, 2012. Aggrieved by the orders Company filed a Civil Review Petition No. CRP/1314/2011 and Civil Miscellaneous Appeal C.M.A. No. 1351/2012 before Madurai Bench of High Court of Madras for granting Ad-interim stay of the order given in W.C.49/2008 and to hold the payment of Rs.1,85,286/-. The stay for holding the payment was granted by Hon'ble High Court vide order dated November 16, 2012. The matters are still pending in Court.

4. Company has filed an appeal numbering A/487/2024 dated April 05, 2024 with the State Consumer Disputes Redressal Commission, Chennai challenging order dated January 23, 2024 passed by District Consumer Disputes Redressal Commission, Coimbatore dismissing the consumer complaint filed by the Company against United India Insurance Co. Ltd. (United India). The Factory Building, Plant & Machinery and Stocks were insured for a sum of Rs. 20,00,00,000/- by our Company with United India. An accidental fire was detected from the paper in bale forms unloaded from the fork lift truck in the premises on August 19, 2018. The Company had preferred a claim for compensation for Rs. 17,07,97,020/- for the loss due to fire. It was stated that the fire accident was purely accidental which was confirmed by the Fire Brigade report, final report filed by the police and the finding of the Inspector of Factory. However, the claim filed by the Company was repudiated by United India on July 23, 2020. Aggrieved by this repudiation the Company filed a consumer complaint numbering CC No.289/2022 in the District Consumer Disputes Redressal Commission, Coimbatore which was dismissed vide order dated January 23, 2024. The Company filed the aforesaid appeal challenging the impugned order dated January 23, 2024. The said appeal is pending before the State Commission.

(e) Actions by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the Company.

(b) Criminal proceedings filed by the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the Company.

(c) Other pending material litigations against the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(d) Other pending material litigations filed by the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by the statutory and regulatory authorities against the Promoters & Directors.

(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.

C. LITIGATIONS INVOLVING THE SUBSIDIARY COMPANIES OF THE COMPANY

(a) Criminal proceedings against the subsidiary companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the subsidiary companies of the company.

(b) Criminal proceedings filed by the subsidiary companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the subsidiary companies of the company.

(c) Other pending material litigations against the subsidiary companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the subsidiary companies, which have been considered material by the Company in accordance with the Materiality Policy.

(d) Other pending material litigations by the subsidiary companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the subsidiary companies, which have been considered material by the Company in accordance with the Materiality Policy.

(e) Actions by statutory and regulatory authorities against the subsidiary companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the subsidiary companies of the Company.

D. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY

(a) Criminal proceedings against the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the group company of the company.

(b) Criminal proceedings filed by the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the group company of the company.

(c) Other pending material litigations against the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the group company, which have been considered material by the Company in accordance with the Materiality Policy apart from the below:

1. Saradhambika Paper & Board Mills Private Limited, the group company, has filed Three Writ Petitions W.P No. 4713 of 2020, W.P No. 4715 of 2020, W.P No. 4716 of 2020 before the Hon'ble Madras High Court against the Assessment order passed by the State Tax Officer for the rejection of refund applications VA.VE. No. 3061802/2000-01 refund of Rs. 5,67,393, VA.VE. No. 3061802/2001-02 refund of Rs. 5,55,125, VA.VE. No. 3061802/2001-02 refund of Rs. 6,67,117 dated December 18, 2019, The Hon'ble High Court passed a common order for the above mentioned Writ petitions dated February 13, 2024 to set aside the orders of the State Tax

Officer with a direction to re do the Assessment, hence case number Service Tax/00 41336/2015 (filed by Diary number 41352/2015) has been revived and is still pending before the CESTAT Chennai.

(d) Other pending material litigations by the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the group company, which have been considered material by the Company in accordance with the Materiality Policy.

(e) Actions by statutory and regulatory authorities against the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group company.

E. TAX PROCEEDINGS

(Rs. In Lakhs)

Nature of Proceedings	Number of cases	Amount involved*
D. Of the Issuer Company		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	*2	Unascertainable
Direct Tax (TDS)	13	12.20
Indirect Tax (GST) Demand Notice	#7	1,230.46
Indirect Tax (GST) E Proceedings	**6	Unascertainable
E. Of the Wholly-Owned Subsidiary Companies		
Subam Paper and Boards Private Limited		
Income Tax (Outstanding Demand)	1	32.67
Income Tax (E Proceedings)	^1	Unascertainable
Direct Tax (TDS)	2	0.68
Indirect Tax (GST) Demand Notice	Nil	Nil
Indirect Tax (GST) E Proceedings	Nil	Nil
Subam Agro Ventures Private Limited		
Income Tax (Outstanding Demand)	1	1.97
Income Tax (E Proceedings)	Nil	Nil
Direct Tax (TDS)	Nil	Nil
Indirect Tax (GST) Demand Notice	Nil	Nil
Indirect Tax (GST) E Proceedings	Nil	Nil
F. Of the Promoters and Directors		
Mr. T Balakumar		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil
Ms. Sudha Alagarsamy		
Income Tax (Outstanding Demand)	1	0.51
Income Tax (E Proceedings)	Nil	Nil
Mr. Ramasubbu Venkatesh		
Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil
Mr. Gurusamy Rathakrishna		
Income Tax (Outstanding Demand)	1	7.02
Income Tax (E Proceedings)	##1	Unascertainable
Mr. Chelladurai Gunasingh Prithiviraj		

Income Tax (Outstanding Demand)	Nil	Nil
Income Tax (E Proceedings)	Nil	Nil

Notes:

Of the Company-(Income Tax)-E - Proceedings

1. *Company has received a Notice dated February 06, 2024 U/s 133 of Income Tax Act 1961 for non-deduction of TDS for FY 2021-22 for remittances of Rs. 25,47,165, 20,46,147, 16,45,643 without deducting the TDS.
2. *Company has received a Notice dated December 14, 2022 U/s 143(1)(a) of Income Tax Act 1961 proposing adjustments to the Total Income for the AY 2022-23

Of the Company-(GST) Outstanding Demand

1. # Company has received a Show Cause Notice- cum- demand, DRC-01 for RS. 4,18,64,802/- dated May 31, 2024 on the basis of an audit conducted for the FY 2019-2020. The Company has already submitted its reply on June 03, 2024 and also explained that they have already deposited the tax as per some of the observations in the Show Cause Notice vide DRC-03 dated June 03, 2024 and February 28, 2023 amounting to Rs. 29,39,168/-. Company has also submitted the explanation for other observations but the final order for the same is yet to be received, so we have considered Rs. 3,89,25,364/- as the outstanding demand.
2. #Company has received summary of demand order in DRC -07 dated April 29, 2024 for the FY 2018-19 for the amount Rs.7,40,15,071 penalty towards excess claim of ITC, non - reversal of ITC on Ineligible ITC and certain other issues. Company has filed an Appeal dated June 21, 2024 against the order dated April 29, 2024. Final order in the matter is yet to be received.
3. #Company has received intimation of demand in DRC -01 A for the FY 2020-21 for the amount Rs. 92,55,633
4. #Company has received intimation of demand in DRC -01A for wrong claim of ITC for the FY 2020-21 for the amount Rs. 2,05,348
5. #Company has received a show cause cum demand notice in DRC -01 pending interest payments for the FY 2021-22 for the amount Rs. 4,193
6. #Company has received intimation of demand in DRC -01A for wrong claim of ITC for the FY 2021-22 for the amount Rs. 5,78,610
7. #Company has received intimation DRC -01A for wrong claim of ITC due to difference between GSTR3B vs GSTR2A for the FY 2022-23 for the amount Rs. 61,422

Of the Company -(GST)-E - Proceedings

1. ** Company has received Notice for intimating discrepancies in the return after scrutiny u/s.61 in ASMT-10 Discrepancy in GSTR 2B Vs GSTR 3B for the FY 2020-21,with Total Difference in SGST ITC Rs.1,13,23,346/-, in CGST ITC Rs.1,13,23,346/- , in IGST ITC Rs.13,06,398/-, and CESS Rs.11,36,987/-. No demand has been raised in the matter.
2. ** Company has received a Notice for intimating discrepancies in the return after scrutiny u/s.61 in ASMT-10 Discrepancy in GSTR 1 Vs GSTR 3B for the FY 2020-21 with Total Difference in Turnover as Rs1,84,59,487 /-and in IGST as Rs.6,49,962/-. No demand or show cause notice has been received in the matter.
3. ** Company has received Notice for intimating discrepancies in the return after scrutiny for the FY 2018-19 with difference in Tax Liability as Rs.1,30,16,790.57/-. No demand has been raised in the matter as on date.
4. ** Company has received ASMT-10 Notice for intimating discrepancies after scrutiny u/s.61 in GSTR 2B Vs GSTR 3B for FY 2022-23 with total difference in SGST ITC as Rs.4,86,862, CGST ITC as Rs.4,86,862, IGST ITC as Rs.37,03,218/-. No demand notice has been received in the matter.
5. ** Company has received Notice For Seeking Clarification On The Discrepancies Found During Audit for the FY 2020-2021. The Company is yet to reply for the same and the proceeding is still pending.
6. ** Company has received Notice For Seeking Clarification On The Discrepancies Found During Audit for the FY 2021-2022. The Company is yet to reply for the same and the proceeding is still pending.

Subam Paper and Boards Private Limited-(Income Tax)-Outstanding Demand and E – Proceedings

1. ^Our Company has sought rectification on July 08, 2024 of order number CPC/2223/A6/404109105 for the assessment year 2022-2023 and the said Rectification Acknowledgement Number is 621973880080724
2. ^Company has received a Notice u/s 133(6) of the Income Tax Act, 1961 – Verification of details furnished in Form No.15CA in view of non-deduction/ lower deduction of tax at source for financial year 2021-22 PAN: ABDCS9966N -reg. AY 22-23 dated February 06, 2024

Gurusamy Rathakrishna-(Income Tax)-E - Proceedings

1. ##Notice under section 143(1)a of the IT Act, 1961 for proposed adjustment of Rs. 17,43,377 on account of inconsistencies between Other Source Income in the return and Form 26AS for AY 2017-18.

F. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

In accordance with our Company's materiality policy dated May 17, 2024 below are the details of the Creditors where there are outstanding amounts as on March 31, 2024:

(₹ in lakhs)

Types of creditors	Number of creditors	Amount involved
A. Micro, small and medium enterprises	58	123.79
B. Other Creditors	708	4,940.11
Total (A+B)	766	5,063.90
C. Material Creditors	11	3,413.38

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.subampapers.com. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 225 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors, pursuant to a resolution passed at their meeting held on May 17, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on May 18, 2024 authorized the Issue.

The Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution dated July 11, 2024.

The Red Herring Prospectus has been approved by our Board pursuant to a resolution dated [●]

The Prospectus has been approved by our Board pursuant to a resolution dated [●]

In-principle Approval:

Our Company has obtained In-Principle approval from the SME Platform of BSE Limited (“BSE SME”) for using its name in the Offer Documents pursuant to an approval letter dated [●] letter no [●] from BSE Limited. SME Platform of BSE Limited (“BSE SME”) is the Designated Stock Exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred/disqualified from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by SEBI against the Directors or any other entity with which our Directors are associated as Promoters or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Willful Defaulters or fraudulent borrowers.

PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 267 of this Draft Red Herring Prospectus .

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Red Herring Prospectus.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Outstanding Litigations and Material Developments*” beginning on page 267 respectively, of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an “*unlisted issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(2) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the SME Platform of BSE Limited (“BSE SME”).

We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to chapter titled “*General Information-Underwriting*” beginning on page 60 of this Draft Red Herring Prospectus.

In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited (“BSE SME”). For further details of the arrangement of market making please refer to chapter titled “*General Information*” beginning on page 60 and details of the Market Making Arrangements for this please refer to chapter titled “*The Issue*” beginning on page 54 of this Draft Red Herring Prospectus .

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed Allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus.

In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.

In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.

In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE and BSE Limited is the Designated Stock Exchange.

In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up.

In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of the SME Platform of BSE Limited (“BSE SME”) in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on October 6, 2004 with the Registrar of Companies, Tamil Nadu, under the Companies Act, 1956 in India.
2. Our Company is engaged in the business of manufacturers, importers, exporters and dealers in all kinds and classes of paper, board, corrugated board, corrugating medium and pulp including writing paper, printing, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, brown or buff paper, cartridge paper, cloth lines paper, azure laid and wove paper, cream laid and wove paper, grease proof paper, gummed paper, handmade paper, parchment paper, drawing paper, kraft paper, manila paper, envelope paper, tracing paper, vellum paper, water proof paper, carbon paper, sensitised paper, chemically treated paper, paste board, duplex and triplex board, hard board, plywood board, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kinds of articles in the manufacture of which in any form paper, board, or pulp is used and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing.
3. The Paid-up Capital of the Company is ₹ 1,708.01 Lakh comprising 1,70,80,070 Equity shares.
4. The Post Issue Paid up Capital (Face Value) of the company will be ₹ [●] comprising [●] Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid up Capital shall be more than Ten Crore Rupees and up to Twenty-Five Crore Rupees.
5. The Company has a track record of at least 3 years as on the date of filling Draft Red Herring Prospectus.
6. As on March 31, 2024 the Company has net tangible assets of ₹ 19,904.12 lakhs.
7. The Net worth, Operating Profit (Earnings before depreciation and tax and other income from operations) of the Company as per the Restated Consolidated Financial Statements of our Company for the financial year ended as on March 31, 2024, March 31, 2023 and March 31, 2022 are as set forth below:

(₹ in Lakhs)

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Net-worth as per Restated Financials Statements ⁽¹⁾	19,904.12	15,562.32	16,589.11
Operating Profit (Earnings before depreciation and tax and other income from operations) ⁽²⁾	5,975.39	1,552.31	3,405.17

(1) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

(2) Operating Profit has been defined as the Earnings before depreciation and tax from operations (excluding other income).

8. The leverage ratio of the Company is 0.92 which is not more than 3:1.

9. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated March 15, 2024 and National Securities Depository Limited (NSDL) dated March 12, 2024 for dematerialization of its Equity Shares already issued and proposed to be issued.
10. The Company has not been referred to Board for Industrial and Financial Reconstruction.
11. Except as stated below, our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.

One of the operational creditors of the company namely Exim Routes Pte Limited had file a petition against the company under Section 9 of the Insolvency and Bankruptcy Code, 2016 vide petition No: CB(IB)/172(CHE)/2022. The issue was amicably settled and the said operational creditor withdrew the petition on October 06, 2022 and NCLT vide its order dated October 11, 2022 stated that the case is 'Disposed'.

12. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
13. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
14. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
15. There has been no significant change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE Limited on SME Platform of BSE Limited ("BSE SME").
16. The Company has a website: www.subampapers.com.
17. There has been no name change in the Company since incorporation.
18. The composition of the board is in compliance with the requirements of Companies Act, 2013.
19. Since our company's incorporation, we have not filed an Offer Document with SEBI or any exchanges. Therefore, there has been no withdrawal or rejection of any issue.

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited ("BSE SME").

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE

DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●].

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF 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 ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENTS.

Note:

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Tamil Nadu in terms of Section 26 & 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Manager (Gretex Corporate Services Limited) and our Company on May 18, 2024 and the Underwriting Agreement dated May 18, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated May 18, 2024 entered into among the Market Maker and our Company. All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

CAUTION

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Draft Red Herring Prospectus and the website of the Book Running Lead Manager at www.gretexcorporate.com.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Tirunelveli, Tamil Nadu only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed at SME Platform of BSE Limited ("BSE SME") for its observations and BSE Limited will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED (“BSE SME”)

BSE Limited (“BSE”) has vide its letter dated [●] given permission to “**Subam Papers Limited**” to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME Platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are offered by the Company and investors are informed to take the decision to invest in the Equity Shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the Equity Shares are offered by the Company is determined by the Company in consultation with the Merchant Banker to the Issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME Platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME Platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

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

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING

The Draft Red Herring Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at www.siportal.sebi.gov.in.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered for filing to the Registrar of Companies, Chennai, Block No.6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai-600034, Tamil Nadu.

LISTING

An application have been made to SME Platform of BSE Limited (“BSE SME”) for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. SME Platform of BSE Limited (“BSE SME”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited (“BSE SME”) is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited (“BSE SME”) mentioned above are taken within 3 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in this issue document for listing of equity shares on SME Platform of BSE Limited (“BSE SME”).

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who-

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

CONSENTS

Consents in writing of Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Key Managerial Personnel, Book Running Lead Manager, Underwriters, Market Maker to the Issue, Registrar to the Issue, Legal Advisor to the Issue, and Banker(s) to the Company to act in their respective capacities shall be obtained as required as required under Section 26 & 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC. The Peer Review auditor has given their written consent to the inclusion of their report in the form and

context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. C N G S N & Associates LLP, Chartered Accountants, the Peer Review Auditor of the Company have agreed to provide their written consent to the inclusion of their respective reports on “*Statement of Possible Tax Benefits*” relating to the possible tax benefits and Restated Consolidated Financial Statements as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits dated July 01, 2024.
- Report of the Auditor on the Restated Consolidated Financial Statements for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022.
- Legal Advisor Certificate on litigation matter issued by M/s. Zenith India Lawyers.

EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 89 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated May 18, 2024, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and / or public issues since incorporation and are an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018.

CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES

None of our Group Company/Subsidiary/Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Draft Red Herring Prospectus.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

LISTED SUBSIDIARY / PROMOTER

We do not have any listed Subsidiary or Promoter Company as on date of this Draft Red Herring Prospectus.

OPTION TO SUBSCRIBE

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

Our company has issued debentures and the details of the debentures are mentioned in the chapter “*Statement of Financial Indebtedness*” on page 241 of this Draft Red Herring Prospectus.

OUTSTANDING CONVERTIBLE INSTRUMENTS:

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

PARTLY PAID-UP SHARES

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company has appointed Bigshare Services Private limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on May 17, 2024. For further details, please refer to the chapter titled “*Our Management*” beginning on page 184 of this Draft Red Herring Prospectus.

Our Company has appointed Mr. Poovalingam Nagarajan as Company Secretary and Compliance Officer and he may be contacted at the following address:

Mr. Poovalingam Nagarajan

S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli Taluk, 627010, Tamil Nadu, India.

Tel: +91 94863 03300

Email: cs@subampapers.com

Website: www.subampapers.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Draft Red Herring Prospectus.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Possible Tax Benefits*” beginning on page 108 of this Draft Red Herring Prospectus.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as

disclosed under sections titled "*Our Management*" and "*Related Party Transactions*" beginning on page 184 and 184 respectively of this Draft Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

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

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

SECTION XI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RoC, the RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchange, the RoC and / or any other authorities while granting its approval for the Issue.

Please note that, in terms of Regulation 256 of the SEBI (ICDR) Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with 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 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

AUTHORITY FOR THE PRESENT ISSUE

This Public Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on May 17, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on May 18, 2024.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our Memorandum of Association and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '*Main Provisions of Article of Association*', beginning on page 338 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details in relation to dividends, please refer to sections titled, '*Dividend Policy*' and '*Main Provisions of Article of Association*', beginning on page 184 and 338 respectively, of this Draft Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE

The face value of each Equity Share of our Company is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ [●] per Equity Share ("Cap Price"). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid / Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Tamil edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid / Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the Section titled, '*Basis for Issue Price*', beginning on page 103 of this Draft Red Herring Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, as amended time to time.

COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '*Main Provisions of the Articles of Association*', beginning on page 338 of this Draft Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 12, 2024 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 15, 2024 between CDSL, our Company and Registrar to the Issue.

The ISIN of the company is INE0U6201010

MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012, and the same may be modified by BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 2(two) working Days of closure of Issue.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A

nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with BRLM, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAM

Bid / Issue Opens on	 ●
Bid / Issue Closes on	 ●
Finalization of Basis of Allotment with the Designated Stock Exchange	 ●
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	 ●
Credit of Equity Shares to Demat accounts of Allottees	 ●
Commencement of trading of the Equity Shares on the Stock Exchange	 ●

Note:

¹Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations

²Our Company in consultation with the Book Running Lead Manager, consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations.

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00*# p.m. IST

**UPI mandate end time and date shall be at 5.00 pm on Issue / Issue Closing Date*

On the Issue Closing Date, the Applications shall be uploaded until:

- I. Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and*
- II. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to the Stock Exchange.*

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid / Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Bid / Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from SME Platform of BSE Limited (“BSE SME”) may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid / Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid / Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid / Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of one Working Day, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

MINIMUM SUBSCRIPTION

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level .

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Red Herring Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1.00 Lakhs (Rupees One Lakhs) per application.

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

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited (“BSE SME”).

APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-issue Equity Shares and Promoters’ minimum contribution in the Issue as detailed in the Section titled, ‘*Capital Structure*’, beginning on page 60 of this Draft Red Herring Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, ‘*Main Provisions of the Articles of Association*’, beginning on page 338 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

NEW FINANCIAL INSTRUMENTS

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

Further, In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

MIGRATION TO MAIN BOARD

Our Company may migrate its securities from SME Platform of BSE Limited to Main Board Platform of the BSE Limited, if we fulfill the criteria as per SEBI (ICDR) Regulation and as per BSE Circular dated November 24, 2023.

A. As per BSE guidelines

As per BSE Circular dated November 24, 2023, our Company may migrate its securities from SME Platform of BSE Limited to main board platform of the BSE Limited.

Eligibility Criteria	Details
Paid up capital and market capitalization	<p>Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum Rs. 25 Crores</p> <p>(Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)</p>
Promoter holding	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
Financial Parameters	<ul style="list-style-type: none"> The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediate preceding Financial Year of making the migration application to Exchange. The applicant company should have a Net worth of at least Rs. 15 crores for 2 preceding full financial years.
Track record of the company in terms of listing/ regulatory actions, etc	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years.
Regulatory action	<ul style="list-style-type: none"> No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals. No Debarment of company, promoters/promoter group, subsidiary company by SEBI. No Disqualification/Debarment of directors of the company by any regulatory authority. The applicant company has not received any winding up petition admitted by a NCLT.
Public Shareholder	The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern
Other parameters like No. of shareholders, utilization of funds	No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.

Eligibility Criteria	Details
	<ul style="list-style-type: none"> • No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies. • The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform. • The applicant company has no pending investor complaints. • Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.

B. As per ICDR guidelines

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

If the paid-up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

OR

Where the post-issue face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further issue of capital by the Company shall be made unless;

the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein

- a) the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principal approval from the Main Board for listing of its entire specified securities on it.

MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”), wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited (“BSE SME”) for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited.

For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to Section titled, ‘*General Information - Details of the Market Making Arrangements for this Issue*’, beginning on page 60 of this Draft Red Herring Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹20 Crore	25%	24%

Further, the Market Maker shall give (2) Two ways quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Tirunelveli, Tamil Nadu, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

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

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue paid up capital is more than ten crore rupees and up to twenty-five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME Platform of BSE Limited ("BSE SME"). For further details regarding the salient features and terms of such this issue, please refer to chapter titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page 292 and 306 respectively of this Draft Red Herring Prospectus.

Initial Public Issue of upto 62,50,000 Equity Shares of ₹10.00 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs ("the Issue") by the issuer Company (the "Company").

The Issue comprises a reservation of upto [●] Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of upto [●] Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs (the Net Issue). The Issue and the Net Issue will constitute [●] % and [●] % respectively of the Post Issue Paid-up Equity Share Capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for allocation	5 % of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Issue less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment ⁽³⁾	Firm Allotment	Proportionate as follows (excluding the	Allotment to each Non- Institutional Bidder shall not be	Allotment to each Retail Individual Bidder shall not be

		<p>Anchor Investor Portion):</p> <p>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocations as per (a) above.</p> <p>Up to 60% of the QIB Portion (of 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</p> <p>(b) Price</p>	<p>less than the Minimum NIB 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. For details, see “<i>Issue Procedure</i>” beginning on page 306 of this Draft Red Herring Prospectus.</p>	<p>less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see “<i>Issue Procedure</i>” beginning on page 306 of this Draft Red Herring Prospectus.</p>
Mode of Allotment		Compulsorily in dematerialized form.		
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

	under the SEBI (ICDR) Regulations, 2018.			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾			
Mode of Bid	Only through the ASBA process.		Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(1) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on page 306 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.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Tirunelveli, Tamil Nadu

ISSUE PROGRAMME

Bid / Issue Opens on	[●]
Bid / Issue Closes on	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period at the Application Centres mentioned in the Bid-Cum-Application Form.

Standardization of cut-off time for uploading of applications on the Bid / Issue Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE Limited after taking into account the total number of applications received up to the closure of timings and reported by BRLM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the process and timeline of T+6 days ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on / or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers,

Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE Limited to act as intermediaries for submitting Application Forms are provided on www.bsesme.com/ For details on their designated branches for submitting Application Forms, please see the above-mentioned website of Platform of SME Platform of BSE Limited (“BSE SME”).

Please note that the information stated / covered in this section may not be complete and / or accurate and as such would be subject to modification / change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, the Company and the Book Running Lead Manager are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

Pursuant to the SEBI UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI UPI Circular include,

appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is 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 in this regard, the relevant SCSB as well as the post – issue BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

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

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLM's.

Our Company, the Promoters and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus. Further, our Company, the Promoters and the Members of the Syndicate are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in the Issue.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue Paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process.

The allocation to the public will be made as per Regulation 253 of SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a

proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Accordingly, we have allocated the Net Issue i.e., not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders and not less than 15% of the Net Issue shall be available for allocation to Non institutional bidders and not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. 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.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

AVAILABILITY OF RED HERRING PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for Indicating number of specified securities subscribed for in Demat form.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE Limited (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All ASBA Bidders must provide either (i) the bank account details and authorization 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. The ASBA Forms that do not contain such details will be rejected.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidder using third party bank account or using third party linked bank account UPI ID are liable for rejection. 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, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or sponsor banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investors ¹	[●]
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis [^]	[●]
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis [^]	[●]

*Excluding electronic Bid cum Application Form

[^]Electronic Bid cum Application Form and the abridge prospectus will be made available for download on the website of the stock exchange (www.bseindia.com)

¹ Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit / deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid / Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the Bankers to the Issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Stock exchange shall allow modification of selected fields viz. DP ID / Client ID or Pan ID (Either DP ID / Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of abridged prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum

Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE Limited (www.bseindia.com) at least one day prior to the Bid / Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;
- 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;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- Minors (except through their Guardians)

- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed 2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed 2,00,000/-.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000/- and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000/- for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and [●] Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid / Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Tamil Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- During the Bid / Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid / Issue Period in accordance with the terms of the Red Herring

Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder / Applicant at or above the Issue Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “**Buildup of the Book and Revision of Bids**”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM / the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid / Issue Period i.e., one working day prior to the Bid / Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “**Issue Procedure**” beginning on page 306 of this Draft Red Herring Prospectus.
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal / failure of the Issue or until withdrawal / rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid / Issue Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price shall be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque / demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

PARTICIPATION BY ASSOCIATES / AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS:

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE:

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in Demat segment only.
- c) A single application from any investor shall not exceed the investment limit / minimum number of Equity Shares that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

INFORMATION FOR THE BIDDERS:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the ROC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and / or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his / her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid / Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid / Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid / Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of

Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the

event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUF'S:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) and such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form.

Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, are broadly set forth below:

- Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Eligible FPI's, Mutual Funds, insurance companies, Systemically Important NBFCs, , insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right

to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹25.00 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25.00 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

TERMS OF PAYMENT

The entire Issue price of ₹[●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

PAYMENT MECHANISM

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a) In case of resident Anchor Investors: — “[●]”
- b) In case of Non-Resident Anchor Investors: — “[●]”
- c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to;
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID

9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid / Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid / Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

BUILD OF THE BOOK

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid / Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid / Issue Period.

WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid / Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

PRICE DISCOVERY AND ALLOCATION

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67%
1,000	23.00	1,500	50.00%
1,500	22.00	3,000	100.00%
2,000	21.00	5,000	166.67%
2,500	20.00	7,500	250.00%

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

SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF RED HERRING PROSPECTUS / PROSPECTUS WITH ROC

- a) Our company has entered into an Underwriting Agreement dated May 18, 2024.
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 26 & 32 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid / Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the ROC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid / Issue period and withdraw their Bids until Bid / Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and

officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only.
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS FOR THE BIDDERS' JOINT BIDS

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit / refund orders / unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

1. During the Bid / Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
2. In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
3. For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

GROUNDINGS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;

- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples of the number of Equity Shares specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form / Application Form does not tally with the amount payable for the value of the Equity Shares Bid / Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest / money order / postal order / cash / cheque / demand draft / pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid / Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity (DP ID) and the beneficiary 's account numbers.
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act.
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form / Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form / Application Form. Bids not duly signed by the sole / First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GIR.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a) For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b) For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c) For QIBs

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

2. In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d) Allotment to Anchor Investor (If Applicable)

1. Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

allocation to Anchor Investors shall be on a discretionary basis and subject to:

- ✓ a maximum number of two Anchor Investors for allocation up to ₹2 crores;
- ✓ a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2 crores and up to ₹25 crores subject to minimum allotment of ₹1 crores per such Anchor Investor; and
- ✓ in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

2. A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

3. In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

4. In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

5. Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue Being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the SME Platform of BSE Limited (“BSE SME”) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE Limited ("BSE SME").

The Executive Director / Managing Director of the SME Platform of BSE Limited ("BSE SME") - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ISSUANCE OF ALLOTMENT ADVICE:

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
3. The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
4. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED DATE:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid / Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM:

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE Limited i.e., www.bseindia.com and NSE i.e., www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE Limited i.e., www.bseindia.com and NSE i.e., www.nseindia.com.

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS:

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF BID CUM APPLICATION FORM:

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

COMMUNICATIONS:

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY:

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited (“BSE SME”) where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) working days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(Two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

RIGHT TO REJECT APPLICATIONS:

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

IMPERSONATION:

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
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
- (b) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

UNDERTAKINGS BY OUR COMPANY:

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That if the Company do not proceed with the Offer, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. That our Promoters’ contribution in full has already been brought in;
7. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

9. If our Company does not proceed with the Issue after the Bid / Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
10. If our Company withdraws the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF ISSUE PROCEEDS:

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized.
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL:

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated March 12, 2024 between NSDL, our Company and Registrar to the Issue; and
- b) Tripartite Agreement dated March 15, 2024 between CDSL, our Company and Registrar to the Issue.
- c) The Company's equity shares bear an International Securities Identification Number INE0U6201010.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015, as updated from time to time by RBI and Master Direction–Foreign Investment in India (updated up to March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Section 4 of the FDI Policy 2020 has to be obtained. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

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 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.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA

Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

INVESTMENT CONDITIONS / RESTRICTIONS FOR OVERSEAS ENTITIES:

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI / OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and / or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral / statutory cap.

INVESTMENT BY FPIS UNDER PORTFOLIO INVESTMENT SCHEME (PIS):

With regards to purchase / sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap / statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

INVESTMENT BY NRI OR OCI ON REPATRIATION BASIS:

The purchase / sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or

preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS:

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the 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 Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

**THE COMPANIES ACT 2013
(Incorporated under Companies Act, 1956)**

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

**SUBAM PAPERS LIMITED*
(Formerly known as Subam Papers Private Limited)**

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) *"The Company” shall mean ‘ SUBAM PAPERS LIMITED ’	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender

	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(aa) "Year" means the "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. 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	Increase of capital by the Company

	maybe issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. 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 Act.	how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the 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, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	Provisions to apply on issue of Redeemable Preference Shares
10.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	Reduction of capital
11.	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	Debentures

	shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidati on, Sub-Division And Cancellatio n
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
MODIFICATION OF CLASS RIGHTS		
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a 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 to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modificatio n of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and	Shares at the disposal of the Directors.

	any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as fullpaid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc. to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(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 provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate	Share Certificates

	<p>shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> <p>(d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is —"Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	Issue of new certificates in place of those defaced, lost or destroyed.
30.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p> <p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	The first named joint holder deemed Sole holder.
		Maximum number of joint holders.
31.	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole</p>	Company not bound to recognise any interest in share

	discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue pricethereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registeredholder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laiddown by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commissio n
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have beenissued and subject to the conditions of allotment, by a resolution passed at a meeting of theBoard and not by a circular resolution, make such calls as it thinks fit, upon the Membersin respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made onuniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemedto fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 12% per annum or at such lower rate, if any, as the Board may determine, but theBoard of Directors shall be at liberty to waive payment of that interest wholly or in part.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed timeor by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to becalls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register	Proof on trial of suit for money due

	of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	Payments in Anticipation of calls may carry interest
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.	Company to have Lien on shares.
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	As to enforcing lien by sale.
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.

FORFEITURE AND SURRENDER OF SHARES		
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and maybe sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected	Title of purchaser and allottee

	by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
TRANSFER AND TRANSMISSION OF SHARES		
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. Provided that the company shall use a common form of transfer.	Transfer Form.
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	Directors may refuse to register transfer.
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or	Notice of refusal to be

	intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	given to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders..
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its 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 the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly-paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	<p>(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 person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Recognition of legal representative.
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	Titles of Shares of deceased Member
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given

74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (transmission clause).
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
NOMINATION		
80.	<ul style="list-style-type: none"> i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked. 	Nomination
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- <ul style="list-style-type: none"> (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case 	Transmission of Securities by nominee

	<p>maybe, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.	Deposit of share warrants

	(b) Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
CONVERSION OF SHARES INTO STOCK		
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations .
BORROWING POWERS		
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the	Securing payment or repayment of Moneys borrowed.

	time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
MEETINGS OF MEMBERS		
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting

103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) 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.</p>	Chairman with his consent may adjourn meeting.
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum 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 exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.	Vote of member of unsound

		mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in theregister of members.</p>	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by arepresentative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representat ive
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representat ion of a body corporate.
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share heldby him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment,become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote atany General Meeting in respect thereof in the same manner as if he were the registered holderof such shares, provided that at least forty-eight hours before the time of holding the meeting oradjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the	No votes by proxy on show of hands.

	resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
DIRECTORS		
125.	(a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution (b) Followings are the first directors of the company: 1. T BALAKUMAR 2. A. SUDHA 3. K.V. TIRUPATHI 4. S.S. ALAGARSAMY 5. R. PREMAVATHI	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification Shares.
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial	Nominee Directors.

	Institution appointing him/them as such Director/s.	
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
PROCEEDING OF THE BOARD OF DIRECTORS		
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at anytime, summon a meeting of the Board.	Meetings of Directors.
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	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.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as	Directors may appoint

	to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meeting show to be governed.
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
RETIREMENT AND ROTATION OF DIRECTORS		
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
POWERS OF THE BOARD		
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property, right etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be	To erect & construct.

	thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	
(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts .
(7)	To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company .
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
(13)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.

	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission on or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as they may think proper.	Transfer to Reserve Funds.
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board	To appoint Attorneys.

	established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contractsetc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interestlawfully payable there out under the provisions of Sections 40of the Act and of the provisions contained in these presents.	To pay commission s orinterest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant	

	<p>and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
MANAGING AND WHOLE-TIME DIRECTORS		
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re- appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Powers to appoint Managing/ Whole-time Directors.
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Whole-time Director.
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p>	Powers and duties of Managing Director or Whole-time Director.

	<p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER	
148.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
149.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	The seal, its custody and use.
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	DIVIDEND AND RESERVES	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) 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.</p> <p>(3) 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.</p>	Division of profits.
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.

153.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	Transfer to reserves
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles.
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders	Dividends how remitted.

	<p>who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
163.	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.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
CAPITALIZATION		
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize 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</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p style="padding-left: 40px;">(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p style="padding-left: 40px;">(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p style="padding-left: 40px;">(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	Capitalization.
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p style="padding-left: 40px;">(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p style="padding-left: 40px;">(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	Fractional Certificates.
167.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of	Inspection of Minutes Books of

	<p>the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	General Meetings.
168.	<p>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.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Inspection of Accounts
FOREIGN REGISTER		
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
DOCUMENTS AND SERVICE OF NOTICES		
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
WINDING UP		
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
INDEMNITY		
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others' right to indemnity.
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense	Not responsible

	<p>happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>	<p>for acts of others</p>
	<p>SECRECY</p>	
<p>175.</p>	<p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>	<p>Secrecy</p>
	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p>	<p>Access to property information etc.</p>

SECTION XIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus will be delivered to the ROC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Registered Office at S. F.No.143-146 Vaduganpatti village Nadukallur to Tirunelveli, Tirunelveli Taluk-627010, Tamil Nadu, India, from date of filing the Draft Red Herring Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m. Further, copies of these contracts shall also be available for inspection on the website of the Company.

MATERIAL CONTRACTS

1. Memorandum of Understanding dated May 18, 2024, between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated May 18, 2024, between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated May 18, 2024, between our Company, the Book Running Lead Manager and Underwriters.
4. Market Making Agreement dated May 18, 2024, between our Company, the Book Running Lead Manager and Market Maker.
5. Bankers to the Issue Agreement dated [●] between our Company, the Book Running Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Syndicate Agreement dated [●] between Our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated March 12, 2024.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated March 15, 2024.

MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated October 06, 2004, issued by Registrar of Companies, Tamil Nadu.
3. Fresh certificate of incorporation dated May 15, 2024, pursuant to conversion into a public limited company, issued by the Registrar of Companies, Central Registration Centre.
4. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on May 17, 2024, in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with shorter notice on May 18, 2024, in relation to the Issue.
6. The Statement of Possible Tax Benefits dated July 01, 2024, issued by the Statutory Auditor.
7. Statutory Auditor's report for Restated Financials dated July 01, 2024, included in this Draft Red Herring Prospectus.
8. Certificate on Key Performance Indicators issued by our Peer Review Auditor dated July 01, 2024.

9. Consents in writing of Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Key Managerial Personnel, Book Running Lead Manager, Underwriters, Market Maker to the Issue, Registrar to the Issue, Legal Advisor to the Issue, and Banker(s) to the Company to include their names in the Draft Red Herring Prospectus to act in their respective capacities.
10. Due Diligence Certificate dated [●] addressed to SEBI from Lead Manager.
11. Approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in this Draft Red Herring Prospectus for listing of Equity Shares on SME Platform of BSE Limited (“BSE SME”).

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India, or the guidelines and regulations issued by the Securities and Exchange Board of India, established under Regulation 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

NAME AND DESIGNATION	SIGNATURE
MR. T BALAKUMAR <i>Managing Director</i> DIN: 00440500	Sd/-
MR. RAMASUBBU VENKATESH <i>Executive Director</i> DIN: 00951835	Sd/-
MS. SUDHA ALAGARSAMY <i>Non-Executive Director</i> DIN: 01515113	Sd/-
MR. GURUSAMY RATHAKRISHNA <i>Independent Director</i> DIN: 01759564	Sd/-
MR. CHELLADURAI GUNASINGH PRITHVIRAJ <i>Independent Director</i> DIN: 00168538	Sd/-

SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-
MR. MOHAMED NIZAR JAHIR HUSSIAN
Chief Financial Officer
PAN: AMSPJ9466H

Sd/-
MR. POOVALINGAM NAGARAJAN
Company Secretary & Compliance Officer
PAN: AICPN3098B

Place: Tirunelveli, Tamil Nadu
Date: July 11, 2024

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	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
Main Board								
1	Akme Fintrade (India) Limited	132.00	120.00	June 26, 2024	127.00	N.A.	N.A.	N.A.
SME Platform								
1	Comrade Appliances Limited	12.30	54.00	June 13, 2023	87.00	15.80, [3.83]	80.62, [6.31]	51.89, [10.58]
2	Shelter Pharma Limited	16.03	42.00	August 23, 2023	39.97	4.62, [0.88]	54.72, [0.76]	63.08, [11.12]
3	Transtee Seating Technologies Limited	49.98	70.00	November 6, 2023	88.90	-0.64, [7.86]	-2.47, [12.58]	-28.94, [15.78]
4	Kalyani Cast-Tech Limited	30.11	139.00	November 17, 2023	264.10	44.32, [8.65]	78.90, [9.51]	75.28, [10.93]
5	Amic Forging Limited	34.80	126.00	December 6, 2023	239.40	105.59, [3.42]	190.37, [5.78]	244.16, [9.78]
6	Interiors & More Limited	42.00	227.00	February 23, 2024	270.00	-8.99, [-0.52]	-2.29, [1.73]	N.A.
7	Zenith Drugs Limited	40.68	79.00	February 27, 2024	110.00	-40.37, [-0.58]	-37.14, [3.31]	N.A.
8	Owais Metal and Mineral Processing Limited	42.69	87.00	March 04, 2024	250.00	100.76, [0.13]	361.20, [0.56]	N.A.
9	Associated Coaters Limited	5.11	121.00	June 06, 2024	142.00	51.59, [6.56]	N.A.	N.A.

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:

- The BSE SENSEX and NSE NIFTY are considered as the Benchmark Index.
- Price on BSE & NSE are considered for all the above calculations.
- In case 30th, 90th and 180th day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30th, 90th and 180th day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running Lead Manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised (*in Cr.)	No. of IPOs trading at Discount-30 th calendar day from listing day			No. of IPOs trading at Premium-30 th calendar day from listing day			No. of IPOs trading at Discount-180 th calendar day from listing day			No. of IPOs trading at Premium-180 th calendar day from listing day		
			Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%
Main Board														
2024-25	1 [^]	132.00	--	--	--	--	--	--	--	--	--	--	--	--
SME Platform														
2022-23	9	179.70	--	--	3	2	1	3	--	2	1	5	--	1
2023-24	10 [^]	300.86	--	1	3	2	2	2	--	1	2	4	--	--
2024-25	1 [^]	5.11	--	--	--	1	--	--	--	--	--	--	--	--

Upto July 11, 2024

[^] The scrip of Amic Forging Limited, Interiors & More Limited, Zenith Drugs Limited, Owais Metal and Mineral Processing Limited and Associated Coaters Limited have not completed 180 Days from the date of listing. The scrip of Akme Fintrade (India) Limited has not completed 30 and 180 days from the date of listing.