(Please scan this QR Code to view the Draft Prospectus)

DRAFT PROSPECTUS
29th September, 2025
100% Fixed Price Issue
Please read Section 26 of Companies Act, 2013
(This Draft Prospectus will be updated upon filing with the RoC)

KANONE

KANONE TECHNOLOGIES LIMITED

(Formerly known as Kanone Technologies Private Limited)
Corporate Identification Number: U74999KL2021PLC071243

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON
B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028	**N.A.**	Mr. Deepak Malhotra **Company Secretary and Compliance Officer**
EMAIL	**TELEPHONE**	**WEBSITE**
kanonetechnologies@gmail.com	**+91 7420010525**	www.kanone.in

PROMOTERS OF OUR COMPANY:	***MR. FAIZAL BAVARAPARAMBIL ABDUL KHADER, MRS. SRUTHI MUHAMMED ALI, MR. ANAZ ABDUL KHADER BAVARAPARAMBIL AND SAFA SYSTEMS & TECHNOLOGIES LIMITED***

DETAILS OF OFFER TO PUBIC

TYPE	FRESH ISSUE SIZE (Rs. In Lakh)	OFFER FOR SALE SIZE (Rs. In Lakh)	TOTAL OFFER SIZE (Rs. In Lakh)	ELIGIBILITY AND RESERVATION
Fresh Issue	**Up to 40,68,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. [●]/- per equity share aggregating to Rs. [●] /- Lakh**	**N.A.**	**40,68,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. [●]/- per equity share aggregating to Rs. [●] /- Lakh**	**The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is more than 10 crore rupees and up to 25 crore rupees. For details in relation to share reservation among NIIs and RIIs, see "Issue Structure" on page 312 of this Draft Prospectus**

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

NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST OFFER:

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10/- 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 Lead Manager as stated in "Basis for Issue Price" on page no 124 of this draft prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page 31 under the section 'General Risks

ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The selling shareholders accept responsibility for and confirm the statements made by them in this offer document to the extent of information specifically pertaining to them and their respective portion of the offered shares and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft 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 an In Principal approval letter dated [●] from BSE Limited for using its name in the Draft Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, BSE Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE

NAME & ADDRESS	CONTACT PERSON	EMAIL & TELEPHONE AND WEBSITE
Fasttrack Finsec Category-I Merchant Banker **FAST TRACK FINSEC PRIVATE LIMITED** **CIN:** U65191DL2010PTC200381 **SEBI Registration No**. INM000012500 **Registered Office:** Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001	**Ms. Sakshi/ Mr. Aditya Singh**	**Email:** kanoneipo@ftfinsec.com , investor@ftfinsec.com **Tel No.:** +91-11-43029809 **Website:** www.ftfinsec.com

REGISTRAR TO THE ISSUE

NAME & ADDRESS	CONTACT PERSON	EMAIL & TELEPHONE AND WEBSITE
CAMEO **CAMEO CORPORATE SERVICES LIMITED** **Address:** - "Subramaniam Building", No. 1, Club House Road, Chennai-600002, India **SEBI Registration No.:** INR000003753	**Ms. K. Sreepriya**	**Email**: ipo@cameoindia.com **Tel No**: +91-44-40020700/28460390 **Website**: www.cameoindia.com

OFFER PROGRAMME

ISSUE OPENS ON	**[●]**
ISSUE CLOSE ON	**[●]**

DRAFT PROSPECTUS
29th September, 2025
100% Fixed Price Issue
Please read Section 26 of Companies Act, 2013
(This Draft Prospectus will be updated upon filing with the RoC)

KANONE TECHNOLOGIES LIMITED

(Formerly known as Kanone Technologies Limited)

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam having Corporate Identification Number U74999KL2021PTC071243. Subsequently, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on March 14, 2024 and the name of our Company was changed from "Kanone Technologies Private Limited" to "Kanone Technologies Limited", vide certificate of incorporation dated June 28, 2024 issued by the Registrar of Companies, Ernakulam having the Corporate Identification Number of the Company is U74999KL2021PLC071243.For further details of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page no. 189 of this Draft Prospectus.

Corporate Identification Number: U74999KL2021PLC071243

Registered office: B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala
P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028

Tel: +91 7420010525 **E-mail:** kanonetechnologies@gmail.com **Website:** www.kanone.in

Contact Person: Mr. Deepak Malhotra, Company Secretary and Compliance Officer

PROMOTERS OF THE COMPANY: MR. FAIZAL BAVARAPARAMBIL ABDUL KHADER, MRS. SRUTHI MUHAMMED ALI, MR. ANAZ ABDUL KHADER BAVARAPARAMBIL AND SAFA SYSTEMS & TECHNOLOGIES LIMITED

THE ISSUE

INITIAL PUBLIC ISSUE OF UP TO 40,68,000 EQUITY SHARES OF FACE VALUE OF 10/- EACH OF KANONE TECHNOLOGIES LIMITED ("KANONE" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO RS. [●] LAKHS ("THE ISSUE") OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PEREQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKETMAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF [●] EQUITYSHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATINGTO RS. [●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE UPTO [●] AND [●] RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARECAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 298 OF THIS DRAFT PROSPECTUS.

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE OF RS. [●]/-
THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES.**

In terms of rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), this issue is being made for at least 25% of the post issue paid up equity share capital of the company. This issue is being made through fixed price process in accordance and in compliance with chapter IX and other applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations, 2018"), wherein a minimum 50% of the net issue is allocated for Individual Investors who applies for minimum application size and the balance shall be offered to individual applicants who applies for more than minimum application size and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Individual Investors, who applies for minimum application size is less than 50%, then the balance equity shares in that portion will be added to individual applicants, who applies for more than minimum application size, portion and the non-individual investor portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid applications being received from them at or above the issue price. Additionally, if the Individual Investors, who applies for minimum application size, category is entitled to more than fifty per cent on proportionate basis, the Individual Investors, who applies for minimum application size, shall be allocated that higher percentage. For further details please refer the section titled 'Issue Information' beginning on page 298 of this Draft Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. For details in this regard, specific attention is invited to "Issue Procedure" on page 316 of this Draft Prospectus. A copy of Prospectus will be filled with the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 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 Lead Manager as stated in **"Basis for Issue Price"** on page **124** of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page 31 under the section 'General Risks

ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The selling shareholders accept responsibility for and confirm the statements made by them in this offer document to the extent of information specifically pertaining to them and their respective portion of the offered shares and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft 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 an In Principal approval letter dated [●] from BSE Limited for using its name in the Draft Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, BSE Limited shall be the Designated Stock Exchange.

LEAD MANAGER	REGISTRAR TO THE ISSUE
Fasttrack Finsec Category-I Merchant Banker **FAST TRACK FINSEC PRIVATE LIMITED** **CIN:** U65191DL2010PTC200381 **SEBI Registration No**. INM000012500 **Registered Office:** Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110001 **Contact Person:** Ms. Sakshi/ Mr. Aditya Singh **Email:** kanoneipo@ftfinsec.com , investor@ftfinsec.com **Tel No.:** +91-11-43029809 **Website:** www.ftfinsec.com	CAMEO **CAMEO CORPORATE SERVICES LIMITED** **Address: -** "Subramaniam Building", No. 1, Club House Road, Chennai-600002 **SEBI Registration No.:** INR000003753 **Contact Person:** Ms. K. Sreepriya **Email**: ipo@cameoindia.com **Tel No**: +91-44-40020700/28460390 **Website**: www.cameoindia.com

OFFER PROGRAMME

ISSUE OPENS ON	**[●]**
ISSUE CLOSE ON	**[●]**

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KANONE

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KANONE

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as assigned below. References to any legislations, statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

The terms not defined herein but used in ***"Objects of the Offer", "History and Certain Corporate Matters", "Financial Indebtedness", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Financial Information", "Outstanding Litigation and Material Developments" "Offer Procedure"*** *and* ***"Description of Equity Shares and Terms of Articles of Association"****, on pages 108, 189, 254, 124, 135, 138, 174, 222, 272, 316 and 361 respectively, will have the meaning ascribed to such terms in those respective sections.*

GENERAL AND COMPANY RELATED TERMS

Term	Description
"Kanone", "the Company", "our Company", "Kanone Technologies Limited", "The Issuer Company" or "the Issuer".	Kanone Technologies Limited, a Company incorporated under the Companies Act, 2013, having its registered office at B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028.
"Our Promoters"	Faizal Bavaraparambil Abdul Khader, Sruthi Muhammed Ali, Anaz Abdul Khader Bavaraparambil and Safa Systems & Technologies Limited are the promoters of our Company
"Promoter Group"	Companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled "Our Promoters and Promoter's Group".
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our company
"you", "your", or "yours"	Prospective investors in this issue

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company amended from time to time.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled "Our Management" on page 195 of this Draft Prospectus.

Term	Description
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, Kapish Jain & Associates, Chartered Accountants.
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Bankers to our Company	State Bank of India
Board of Directors / Board/BOD	The Board of Directors of the Company unless otherwise specified. For further details of our Directors, please refer to section titled "Our Management" beginning on page 195 of this Draft Prospectus
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. *U74999KL2021PLC071243*.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Ambily George.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Deepak Malhotra
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)/ our directors	The Director(s) of our company, unless otherwise specified.
DP/ Depository Participant	A depository Participant as defined under the Depositories Act.
DP ID	Depository's Participant's Identity Number.
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Executive Director/ ED	Executive Directors of our Company, which includes our Managing Director
Group Company or Group Companies or Group Entities	The Group Companies of our Company, includes companies (other than promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in "Our Group Companies" on page no. 216 of this Draft Prospectus.
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).
GIR Number	General Index Registry Number
HNI	High Net-worth Individuals
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Independent Director	A Non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Vivek Vilas Joshi and Mr. Adarsh Punnakkattu Vinu are the Independent Directors of our Company

Term	Description
Ind AS or Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification **INE0WOF01014**
IT Act	The Income Tax Act, 1961 as amended till date.
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page 195 of this Draft Prospectus.
Key Performance Indicators or KPIs	Key financial and operational performance indicators of our Company, as included in "Basis for Issue Price" beginning on page 124.
Materiality Policy	The policy on identification of material creditors and material litigation, adopted by our Board on July 01, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
Managing Director / MD	The Managing Director of our Company, namely Sruthi Muhammed Ali.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled "Our Management" on page 195 of this Draft Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA
Non-Executive Director	Faizal Bavaraparambil Abdul Khader is the Non-Executive Directors of our Company.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000
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.
Peer Review Auditor	The Independent Peer Reviewed Auditor of our Company M/s. Kapish Jain & Associates, Chartered Accountants having office at B-504, Statesman House, 148, Barakhamba Road, New Delhi- 110001.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028
Restated Financial Information/ Restated Financial Statements/	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Ernakulam, having its office at Registrar of Companies, 1st Floor, Corporate Bhavan, BMC Road, Thrikkakara, Kochi – 682021.

Term	Description
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI (ICDR) Regulations/ICDR Regulation/ Regulation	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled "Our Management" on page 195 of this Draft Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, SME Platform of BSE Limited
Subscribers to MOA	Initial subscribers to MOA and AOA being Mr. Faizal Bavaraparambil Abdul Khader and Mrs. Sruthi Muhammed Ali
Whole-Time Directors	Whole-time directors/Executive Directors on our Board
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to successful Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful Applicants.
Allottee(s)	The successful Applicant to whom the Equity Shares are allotted.
Applicant/Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allot / Allotment / Allotted /Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants
ASBA Form(s)	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicant and which will be considered as an application for Allotment in terms of the Draft Prospectus.
Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
Bankers to our Company	State Bank of India
Bankers to the Issue/ Public Issue/ Refund Banker to the Issue/Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited

Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the chapter "ISSUE PROCEDURE - BASIS OF ALLOTMENT" on page no. 348 of this Draft Prospectus.
Business Days	Monday to Saturday (except public holidays and 2nd half of Second Saturday).
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Depository Participant or DP	A Depository Participant as defined under the Depositories Act, 1996.
Depository or Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Designated Stock Exchange	SME Platform of BSE Limited ("BSE SME").
Draft Prospectus	This Draft Prospectus dated September 29, 2025, filed with Stock Exchange and prepared in accordance with the SEBI (ICDR) Regulations, 2018, which does not contain complete particulars of the price at which the Equity Shares will be allotted and the Size of the Issue.
EBITDA	EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses.
EBITDA Margin (%)	Calculated as EBITDA divided by Revenue from Operations.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Engagement Letter	The engagement letter dated December 09, 2024 between our Company and the LM and engagement letter between Company peer reviewed auditor dated December 10, 2024
Fraudulent Borrower	A company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of the Master Directions on "Frauds – Classification and Reporting by commercial banks and select FIs" dated July 01, 2016.
Fresh Issue"	The Fresh issue of up to 40,68,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- each (including premium of ₹ [●]/- per Equity Share) aggregating up to ₹ [●] Lakhs by Our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"Gross Margin (%)"	Calculated as Gross Profit divided by Revenue from Operations.
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.
Gross Profit	Calculated as Revenue from Operations less cost of goods sold.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application
IPO	Initial Public Offering

Issue / Issue Size / Public Issue	The Public Issue of 40,68,000 Equity Shares of each at Rs.10/- per Equity Share including share premium of [●] per Equity Share aggregating to [●] Lakh by Kanone Technologies Limited
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being Rs. [●]
Individual Investors	Individual investors as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, who applies for the minimum application size.
LM / Lead Manager	Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the SME Platform of BSE Limited.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of Rs. 10/- each at [●] per Equity Share including share premium of Rs. [●] per Equity Share aggregating to Rs. [●] by Kanone Technologies Limited
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being ICICI Bank Limited
Registrar / Registrar to the Issue	The agreement dated [●] entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue, Registrar to the Issue being Cameo Corporate Services Limited
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.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018.
Resident Indian	A person resident in India, as defined under FEMA.
Revenue from Operations"	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
RoE (%) or "Return on Equity	Calculated as profit for the year/period divided by Average of shareholders Equity.
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 Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015 / SEBI Takeover Regulations or SEBI (SAST) Regulations	The Securities and Exchange Board of India (Listing Obligation and Disclosure Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
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.
SCSB or Self Certified Syndicate Bank	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SME Platform of BSE Limited	The SME Platform of BSE Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
Specified Securities	Equity shares offered through this Draft Prospectus.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	Underwriter to the issue is Fast track Finsec Private Limited
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated March 21, 2025.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars / SEBI 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. 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, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023,along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI, BSE or National Stock Exchange of India Limited in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI (ICDR)

	Regulations, 2018.
Working Days	Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, 2018

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Abbreviation	Full Form
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupee
"Consolidated FDI Policy" or "FDI Policy"	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
"Financial Year" or "Fiscal Year" or "FY"	Period of 12 months ending March 31 of that particular year
"OCBs" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AMT	Amount
AOA	Articles of Association
Approx	Approximately
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
B. Com	Bachelor of Commerce
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
C.P.C.	Code of Civil Procedure, 1908
CA	Chartered Accountant
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax

Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended
Consolidated FDI Policy or FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
CPI-C inflation	CPI-C inflation refers to inflation measured by the Consumer Price Index for industrial workers (CPI-IW), excluding certain items like food and energy.
CRM	Customer Relationship Management
CrPC	Code of Criminal Procedure, 1973
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CWA/ ICWA	Cost and Works Accountant
Digitization	Digitization is the process of converting information, processes, or systems into digital formats, often for easier storage, access, and management.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
Disinflation	Disinflation is a decrease in the rate of inflation, where prices rise at a slower pace.
DSA	Direct Selling Agent
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ED	Executive Director
EGM/ EOGM	Extraordinary General Meeting
Emerging Market	An emerging market is a country with a developing economy, rapid growth, and increasing industrialization.
EMI	Equated Monthly Instalments
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan
Euro Area	The Euro area refers to the group of European Union countries that have adopted the euro as their official currency.
FBT	Fringe Benefit Tax
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
Finance Act	Finance Act, 1994
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
Fiscal policy	Fiscal policy is the use of government spending and taxation to influence economic activity and achieve macroeconomic goals.

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.
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1) (lll) of the SEBI ICDR Regulations.
FV	Face Value
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FY/ Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/ Government	Government of India
GST	Goods and Services Tax
HFIs	High-frequency indicators are real-time economic data updated frequently, tracking short-term trends.
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act,1961, as amended from time to time
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ICWAI	The Institute of Cost Accountants of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
IMF	International Monetary Fund
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
Inflation	Inflation is the rate at which the general level of prices for goods and services rises, eroding purchasing power.
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
IT Act	Information Technology Act, 2000
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rule, 1962, as amended, except as stated otherwise
KVA	Kilo-volt-amperes
KL	Kilolitre
LM	Lead Manager
LL.B.	Bachelor of Law
Ltd.	Limited
MAPIN	Market Participants and Investors Database
MAT	Minimum Alternate Tax
MBA	Master of Business Administration
MCA	Ministry of Corporate Affairs, Government of India
MD	Managing Director
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

MFPs	MFPs (Multifactor Productivity) measure the efficiency with which multiple inputs, such as labor and capital, are used together in the production process, reflecting overall productivity growth.
Mm	Milimeter
Mn	Million
MoF	Ministry of Finance, Government of India
Monetary policy	Monetary policy is the process by which a central bank controls money supply and interest rates to manage economic growth, inflation, and employment.
MoU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprises
MEP	Mechanical, Electrical, and Plumbing
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NCT	National Capital Territory
NECS	National Electronic Clearing System
NED	Non-executive director
NEFT	National Electronic Funds Transfer
Net worth	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
Nm	Nanometer
NOC	No Objection Certificate
Nominal GDP	Nominal GDP is the total value of all goods and services produced in a country, measured at current market prices, without adjusting for inflation.
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PFUTP Regulations	Trade Practices relating to Securities Markets) Regulations, 2003
PSU	Public Sector Undertaking(s)
Pvt.	Private
Qty	Quantity
R&D	Research & Development
RBI	The Reserve Bank of India
Real wages	Real wages are income adjusted for inflation, reflecting purchasing power
Registration Act	Registration Act, 1908
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth

Rs. / Rupees/ INR/ ₹	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI (PFUTP) Regulations/	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
Sec.	Section
SEZ	SEZ (Special Economic Zone) is a region with unique economic policies, offering tax incentives and relaxed regulations to attract investment.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprises
SPV	Special Purpose Vehicle
SSI	Small Scale Industry
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
Tariff Structure	Tariff structure refers to the system of taxes or duties imposed on imported and exported goods, detailing rates and classifications based on product types or countries.
Tax Buoyancy	Tax buoyancy refers to the responsiveness of tax revenue to changes in a country's economic growth or income levels.
TIN	Taxpayers Identification Number
Trade Marks Act	Trade Marks Act, 1999
TRS	Transaction Registration Slip
TR	Ton of refrigeration
U.N.	United Nations
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
UIN	Unique identification number
US/ United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be.
w.e.f.	With effect from
WDV	Written Down Value

Wilful Defaulter(s)	Company or person categorised 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 and includes any company whose directors or promoters is categorised as such and as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
WTD	Whole Time Director
YoY	year-over-year

ISSUER AND INDUSTRY RELATED TERMS

Term	Description
Export	The process of sending goods or services from one country to another for the purpose of trade. Exporting allows a company to sell its products internationally, expanding its market beyond its home country
Export Documentation	A set of documents required for the export process, including export contracts, shipping documents, invoices, and certificates. These documents ensure that goods are legally cleared for shipment and meet the regulations of both the exporting and importing countries
Export Duty	A tax or fee that is imposed by the government on goods being exported from a country. This is relatively rare but can be applied in some countries to control the export of certain goods or raise revenue
Export License	A government-issued permit that allows the exporter to ship certain goods abroad. It is required for the export of sensitive products such as military equipment, technology, or goods that may affect national security
Export Subsidy	A financial assistance or incentive provided by the government to encourage the export of domestic products. This can include tax rebates, grants, or other financial support to make local products more competitive internationally
Export Market	A market in which a company sells its products or services outside its home country. Export markets provide an opportunity for companies to grow by reaching consumers in different countries
Direct Export	A market in which a company sells its products or services outside its home country. Export markets provide an opportunity for companies to grow by reaching consumers in different countries
Indirect Export	When a company sells its products through intermediaries (like export agents, distributors, or trading companies) who then sell the products in foreign markets.
Export Compliance	The process of ensuring that all goods being exported adhere to the regulations and laws of both the exporting and importing countries. This includes compliance with export controls, customs requirements, and international trade laws
Exchange Rate	The rate at which one currency can be exchanged for another. Exchange rates can significantly impact the price competitiveness of imports and exports
Smartphone	A mobile phone that includes advanced features like internet access, touch screens, and the ability to run apps. Examples include the iPhone, Samsung Galaxy, and Google Pixel
Mobile Data	The internet service provided through cellular networks, allowing mobile devices to access websites, use apps, and send data over the internet without needing Wi-Fi
Mobile Marketing	The use of mobile devices and platforms to promote products and services, often through apps, SMS, or mobile ads. Mobile marketing leverages user location, device usage patterns, and preferences for targeted campaigns

Term	Description
Technology Accessories	Tech accessories refer to products designed to enhance or complement the use of electronic devices. Some common terms include phone case, headphones, charges, power bank etc.
Vacuum	The term "vacuum" is also used as a short form for "vacuum cleaner," which is a household appliance used to clean by sucking up dust, dirt, and debris from floors or other surfaces
Globalization	The increasing interconnection and interdependence of the world's markets and businesses. Globalization has led to the expansion of international trade, the spread of technology, and the creation of global supply chains.
Silica Quartz	Silica Quartz refers to a naturally occurring mineral made up of silicon dioxide (SiO_2), which is one of the most abundant minerals on Earth
"Capital Employed"	Capital Employed is calculated as the sum of total equity plus Net Debt as of the end of a given period/year. For a reconciliation of Capital Employed, see "Other Financial Information – Other reconciliations and information" on page 252
"Capital expenditure incurred"	Capital expenditure incurred is calculated as the aggregate of additions to property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development, reduced by capitalization from capital work-in-progress to property, plant and equipment and capitalisation from intangible assets under development to intangible assets. For a reconciliation of Capital expenditure incurred, see "Other Financial Information – Other reconciliations and information" on page 252
"Domestic Sales"	Domestic formulation sales within the Indian market.
"EBIT"	EBIT is defined as earnings best interest and taxes. EBIT is a non-GAAP measure. For a reconciliation of EBIT, see "Other Financial Information – Non-GAAP Measures" on page 252
"EBITDA"	EBITDA is defined as earnings before interest, taxes, depreciation and amortisation. EBITDA is a non-GAAP measure. For a reconciliation of EBITDA, see "Other Financial Information – Non-GAAP Measures" on page 252. For further details, see "Basis for Offer Price – Key Performance Indicators" on page 124
"EBITDA Margin"	EBITDA Margin is defined as EBITDA for a given period/year as a percentage of total income for that period/year. EBITDA Margin is a non-GAAP measure. For a reconciliation of EBITDA Margin, see "Other Financial Information – Non-GAAP Measures" on page 252. For further details, see "Basis for Offer Price – Key Performance Indicators" on page 124
"MAT" or "MAT Sales"	"MAT" refers to moving annual total, i.e. the value sales of the preceding 12 months, as per data from CRISIL MI&A. For example, "MAT September" data denotes the moving annual total data starting from October 1 of the previous year to September 30 of the year stated. Accordingly, "MAT September 2023" data denotes the 12-month moving annual total of sales for the period between October 1, 2022 to September 30, 2023
"MRP"	Maximum Retail Price
"Net Asset Value per Equity Share"	Net Asset Value per Equity Share is calculated as Net Worth divided by the weighted average number of Equity Shares outstanding during a given period/year. Net Asset Value per Equity Share is a non-GAAP measure. For a reconciliation of Net Asset Value per Equity Share, see "Other Financial Information – Non-GAAP Measures" on page 252
"Net Debt"	Net Debt is calculated as the total of non-current borrowings and current borrowings, less cash and cash equivalents and term deposits with banks (current and non-current). Net Debt is a non-GAAP measure.

Term	Description
"Net Worth"	Net Worth is defined as total equity attributable to the owners of our Company as of the end of a given period/year. Net Worth is a non-GAAP measure. For a reconciliation of Net Worth, see "Other Financial Information – Non-GAAP Measures" on page 252
"PAT Margin"	PAT Margin refers to profit after tax margin, and is calculated by dividing our profit for a given period/year by total income for that period/year, and is expressed as a percentage. For a reconciliation of PAT Margin, see "Other Financial Information – Other reconciliations and information" on page 252
"Percentage of revenue from operations attributable to sales in India"	Revenue from operations within India as percentage of revenue from operations provides information regarding the geographic mix of our business. For further details, see "Basis for Offer Price – Key Performance Indicators" on page 252
"Percentage of revenue from operations attributable to sales outside India"	Revenue from operations outside India as percentage of revenue from operations provides information regarding the geographic mix of our business. For further details, see "Basis for Offer Price – Key Performance Indicators" on page 252
"RoCE"	RoCE refers to Return on Capital Employed, and is calculated by dividing our EBIT for a given period by Capital Employed (i.e., total equity plus Net Debt) as of the end of that period. RoCE is a non-GAAP measure. For a reconciliation of RoCE, see "Other Financial Information – Non-GAAP Measures" on page 251. For further details, see "Basis for Offer Price – Key Performance Indicators" on page 124
"RoNW"	RoNW refers to Return on Net Worth, and is defined as profit for a given period/year attributable to owners of our Company divided by total equity attributable to owners of our Company as of the end of that period/year. RoNW is a non-GAAP measure. For a reconciliation of Return on Net Worth, see "Other Financial Information – Non-GAAP Measures" on page 252
"Total Borrowings"	Total Borrowings is calculated as the total of non-current borrowings and current borrowings, including transaction costs attributable to non-current and current borrowings and excluding interest accrued but not due on borrowings. For a reconciliation of Total Borrowings, see "Other Financial Information – Other reconciliations and information" on page 252
"Total Interest on borrowings"	Total Interest on borrowings is calculated as Interest on long-term borrowings plus Interest on short-term borrowings. For a reconciliation of Total Interest on borrowings, see "Other Financial Information – Other reconciliations and information" on page 252

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

Certain Conventions

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

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled "Financial Information" on Page No. 222 of this Draft Prospectus.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at March 31, 2025, March 31, 2024 and March 31, 2023, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the year ended March 31, 2025, March 31, 2024 and March 31, 2023, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on Page Nos. 31, 151 and 258 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in "Risk Factors", "Industry Overview" and "Our Business" on Page Nos. 31, 138 and 151 respectively, this Draft Prospectus.

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Currency and Units of Presentation

All references to:

"Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and

"USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Prospectus in "lacs" units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

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

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

Currency	Exchange rate as on (in ₹)		
	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	85.5814	83.3739	82.2169

(Source: www.rbi.org.in; and www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, 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 No. **124** of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM 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 No. **31** of this Draft Prospectus.

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FORWARD - LOOKING STATEMENTS

This Draft Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customers would have a material adverse effect on our business, cash flows, results of operations and financial condition.
- We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- As our major revenue is from exports, change in any export policies may impact our revenue.
- Failure to adapt to the changing needs of industry may adversely affect our business and financial condition;
- Inflation, deflation, unanticipated turbulence in interest rates,
- Our dependence on our key personnel, including our directors and senior management;
- Our ability to successfully implement our business strategy and plans;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on Page Nos. **31**, **151** and **258**, respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure 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 future performance.

Forward-looking statements reflect current views as on the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Manager will ensure that the Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

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SECTION II: SUMMARY OF OFFER DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections titled "***Risk Factors***", "***Issue Information***" and "***Main provisions of the Articles of Association***"; and Chapters titled "***Capital Structure***", "***Objects of the Issue***", "***Industry Overview***", "***Business Overview***", "***Issue Procedure***", "***Outstanding Litigations and Material Developments***" on pages 31, 298, 361, 88, 108, 138, 151, 316 and 272, respectively.

PRIMARY BUSINESS OF THE COMPANY

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam having Corporate Identification Number U74999KL2021PTC071243. Subsequently, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on March 14, 2024 and the name of our Company was changed from "Kanone Technologies Private Limited" to "Kanone Technologies Limited", vide certificate of incorporation dated June 28, 2024 issued by the Registrar of Companies, Ernakulam having the Corporate Identification Number of the Company is U74999KL2021PLC071243.

Our Company is engaged in the wholesale trading, distribution, and export of consumer electronics, mobile phones, home appliances, and related accessories. Since inception, the Company has established a supply chain network that facilitates the sourcing and delivery of products across domestic and select international markets. The Company's operations are focused on efficient procurement from suppliers and distribution to customers at competitive pricing, supported by a logistics framework aimed at ensuring timely deliveries.

The Company's business model is based on direct sourcing from distributors, which helps ensure product authenticity and quality. It leverages bulk procurement to maintain cost efficiency. The procurement and distribution activities are supported by a logistics and warehousing framework designed to facilitate timely and reliable fulfilment of customer orders.

For Detailed information on our business, please refer to chapter titled "History and Certain Other Corporate Matters" and "Our Business" beginning from page 189 and 151 respectively of this draft prospectus.

SUMMARY OF OUR INDUSTRY

The export industry refers to the production and sale of goods and services from one country to another. It plays a critical role in global trade and economic growth. Exporting contributes significantly to a country's economy by generating foreign exchange, increasing GDP, and creating jobs. It also helps in balancing trade deficits and diversifying the economy. The export industry is part of the global supply chain, allowing countries to access goods they cannot produce domestically or in sufficient quantities. It fosters international relationships and economic cooperation

(For Detailed information on our business, please refer to chapter titled "Industry Overview" beginning from page no. 138 of this draft prospectus.)

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OUR PROMOTERS

Promoters of our company are as follows:

- Sruthi Muhammed Ali
- Faizal Bavaraparambil Abdul Khader
- Anaz Abdul Khader Bavaraparambil
- Safa Systems & Technologies Limited

(For further details, please refer chapter "Our Promoters and Promoters Group" beginning from page no. 208 *of this draft prospectus.*

SIZE OF OFFER

Present Offer of Equity Shares by our Company	Up to 40,68,000 Equity Shares of face value Rs.10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. [●] Lakh
The Offer consists of:	
Fresh Issue	Up to 40,68,000 Equity Shares of face value Rs.10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. [●] Lakh
Offer for Sale	Not Applicable
Of which:	
Offer Reserved for the Market Maker	Up to [●] Equity Shares of face value Rs.10/- each fully paid for cash at a price of Rs. [●] per Equity Share aggregating to Rs [●] Lakh
Net Offer	Up to [●] Equity Shares of face value Rs.10/- each for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakh.

For further details, kindly refer to chapters titled "The Issue" and "Terms of the Issue" beginning on page 66 and 298 of this Draft Prospectus.

OBJECT OF THE ISSUE

The details of proceeds of the Issue are set out in the following tables:

Amount in (Lakh)

Particulars	**Amount (Rs. in Lakhs)**
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue*	[●]
Net Proceeds	[●]

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

The objects of the Issue are: -

1. Construction of a state-of-the-art office-cum-warehouse facility.
2. To meet Working Capital Requirement;
3. General Corporate Purposes.
4. For Issue Expenses

(Collectively referred as the "Objects")

For more details refer chapter title "Object of the offer" on page 108 of this Draft Prospectus.

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UTILIZATION OF NET PROCEEDS

Sr. No	Particulars	Amount in (Lakh)
1.	Construction of a state-of-the-art office-cum-warehouse facility	749.73
2.	To meet working capital requirements	906.96
3.	General Corporate Purpose*	[●]
	Total	**[●]**

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC and the amount to be utilized for general corporate purposes shall not exceed 15% of the amount raised by our Company or Rs. 10 Cr. whichever is lower.*

For further details, please refer to chapter titled "Objects of the offer" beginning on page 108 *of this Draft Prospectus.*

AGGREGATE PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS DRAFT PROSPECTUS

Our Promoters and Promoter Group collectively hold **94,93,095** Equity shares of our Company aggregating to 100% of the pre- issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Prospectus

S. No.	Name of the Shareholder	Pre-Issue		Post Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of post-Issue Capital
I	II	III	IV	V	VI
A. PROMOTERS					
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78%	[●]	[●]
2.	Sruthi Muhammed Ali	22,29,141	23.48%	[●]	[●]
3.	Anaz Abdul Khader Bavaraparambil	45	Negligible	[●]	[●]
4.	Safa Systems & Technologies limited	47,21,600	49.74%	[●]	[●]
TOTAL(A)		**94,92,960**	**99.99%**	[●]	[●]
B. PROMOTER GROUP					
1.	Muhamadali P I	45	Negligible	[●]	[●]
2.	Manzoor Kidhwai	45	Negligible	[●]	[●]
3.	Sayeeda Beevi Muhammad	45	Negligible	[●]	[●]
TOTAL(B)		**135**	**Negligible**	**[●]**	**[●]**

TOTAL (A+B)	**94,93,095**	**99.99%**	[●]	[●]

For further details please refer to the chapter titled "Capital Structure" beginning on page 88 of this Draft Prospectus.

SHAREHOLDING OF PROMOTER/ PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT:

Below are details of Equity Shares held by our Promoters and the members of our Promoter Group as on the date of Advertisement/ Allotment:

S. No.	Name of the Shareholder	Pre-Issue shareholding as at the date of Advertisement		Post-Issue shareholding as at Allotment (4)	
		Number of Equity Shares (3)	Shareholding (in %) (3)	At the Issue Price	
				Number of Equity Shares (3)	Shareholding (in %) (3)
A. Promoters of the Company					
P-1	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78%	[●]	[●]
P-2	Sruthi Muhammed Ali	22,29,141	23.48%	[●]	[●]
P-3	Anaz Abdul Khader Bavaraparambil	45	Negligible	[●]	[●]
P-4	Safa Systems & Technologies limited	47,21,600	49.74%	[●]	[●]
Total(A)		**94,92,960**	**99.99**	[●]	[●]
B. Promoter Group of the Company					
PG-1	Muhamadali P I	45	Negligible	[●]	[●]
PG-2	Manzoor Kidhwai	45	Negligible	[●]	[●]
PG-3	Sayeeda Beevi Muhammad	45	Negligible	[●]	[●]
Total(B)		135	Negligible	[●]	[●]
Total (A+B)		**94,93,095**	**99.99**	[●]	[●]
C. ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT					
Other Top 10 Shareholders (Public Shareholders) ^		[●]	[●]	**[●]^**	**[●]^**
Total (A+B+C)		[●]	[●]	**[●]^**	**[●]^**

^Subject to finalization of basis of allotment.

 # The pre-issue shareholding of the company is exclusively held by the promoter and the promoter group,

with no other individuals or entities holding any shares

Note:

1) Here, "**P**" refers to the ***Promoter*** and "**PG**" refers to the ***Promoter Group***.
2) The Promoter Group shareholders are Muhamadali P I, Manzoor Kidhwai and Sayeeda Beevi Muhammad.
3) Includes all options that have been exercised until date of Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Prospectus.
4) Based on the Issue price of ₹ [●] and subject to finalization of the basis of allotment.

SUMMARY OF RESTATED FINANCIAL STATEMENTS:

Following are the details as per the Restated Financial Information for the period ended for the Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ in lacs, except share data)

Particulars	For the Year ended on March 31, 2025	For the Year ended on March 31, 2024	For the Year ended on March 31, 2023
Share Capital	949.31	209.10	100.00
Reserves and surplus	731.86	1,043.50	374.26
Net worth	1,681.17	1,252.60	474.26
Total Income	28,115.30	43,303.08	25,706.77
Profit after Tax	428.57	614.23	352.05
Earnings per share (Basic & diluted) (Rs.)	4.51	11.17	7.75
Net Asset Value per Equity Shares (Rs.)	17.71	13.19	10.45
Total Borrowings	3166.20	2636.48	825.68
• Long Term Borrowing	518.16	311.86	-
• Short Term Borrowing	2,648.03	2,324.62	825.68

Note: Bonus shares adjustment has considered for calculation of Earnings per Share and Net Asset Value per equity share.

(For further details, please refer chapter "Financial statement as Restated" beginning from page no. 222 of this draft prospectus.)

QUALIFICATION OF AUDITORS

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings involving our Company, our Directors, our Promoter, Our KMP and our Group Companies as on the date of this Draft Prospectus is provided below:

Sr. No.	Particulars	Number of cases outstanding	Amount involved in such proceedings (in Rs. Lakh)
1)	**Pending litigations involving our Company**		
1.	Criminal proceedings		
	against our Company	Nil	Nil

	by our Company	Nil	Nil
2.	Pending Action by statutory or regulatory authorities	Nil	Nil
3.	Tax proceedings		
	Indirect Tax	Nil	Nil
	Direct Tax	Nil	Nil
4.	Default and non-payment of statutory dues	Nil	Nil
5.	Other material outstanding litigation	Nil	Nil
2)	**Litigation involving our directors***		
1.	Outstanding criminal litigation	Nil	Nil
2.	Pending action by statutory or regulatory authorities	Nil	Nil
3.	Outstanding civil litigation**	1	32.58
4.	Tax proceedings	Nil	Nil
5.	Other material litigation outstanding	Nil	Nil
3)	**Litigation involving our Promoter**		
1.	Outstanding criminal litigation	1	250.00
2.	Pending action by statutory or regulatory authorities	Nil	Nil
3.	Tax proceedings		
	a. Faizal Bavaraparambil Abdul Khader	1	0.30912
	b. Anaz Abdul Khader Bavaraparambil	1	0.22465
	c. Sruthi Muhammed Ali	4	1.84366
4	Outstanding civil litigation	Nil	Nil
5.	Other material litigation outstanding	Nil	Nil
6.	Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action	Nil	Nil
4)	**Litigation involving our Group Companies**		
1.	Outstanding criminal litigation	Nil	Nil
2.	Pending action by statutory or regulatory authorities	Nil	Nil
3.	Other material litigation outstanding	Nil	Nil
4.	Tax proceedings		
	a. Indirect Tax	Nil	Nil
	b. Direct Tax	Nil	Nil
5)	**Litigations involving our Key Managerial Personnel ("KMP")**		
	Outstanding criminal litigation	Nil	Nil
	Pending action by statutory or regulatory authorities	Nil	Nil
	Tax proceedings	Nil	Nil
	Outstanding civil litigation	Nil	Nil
	Other material litigation outstanding	Nil	Nil

*Our Company does not have any Senior Management Personnel (**"SMP"**)

**case is related to Sruthi Muhammed Ali, who is also the promoter of the company.

For further details, please refer chapter "Outstanding Litigation and Material Development" beginning from page no. 272 of this draft prospectus.

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RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Draft Prospectus and are advised to read the section titled "Risk Factors" beginning on page 31 of this Draft Prospectus, including the risks and uncertainties, before making/ taking an investment decision in our Equity Shares. In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said sections are relevant to the industry our Company is engaged in, our Company and our Equity Shares. 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.

SUMMARY OF CONTINGENT LIABILITIES

As per the Restated Financial Information as at March 31, 2025, March 31, 2024, March 31, 2023, following is the detail of contingent liabilities of our Company:

(Amount in Rs. Lakhs)

S. No.	Particulars	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024	For the year ended as at March 31, 2023
i.	Estimated amount of contracts remaining to be executed and not provided for	NIL	NIL	NIL
ii.	Claims against the Company not acknowledged as debt	NIL	NIL	NIL
iii.	Bank Guarantees	NIL	NIL	NIL
iv.	Outstanding Tax Demand with Respect to any Revenue Authorities	NIL	NIL	NIL
	Total	NIL	NIL	NIL

For details, please refer to Section titled "Restated Financial Statements" beginning on page no. 222.

SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 24 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

As per the Restated Financial Information for the financial year ended March 31, 2025, March 31, 2024, March 31, 2023, following are the details of the related party transactions of our Company:

Statement of Related Parties & Transactions	
Name of the key managerial personnel/Entity/Relative of KMPs	**Relationship**
Faizal Bavaraparambil Abdul Khader	Director of the company
Vivek Vilas Joshi	Director of the company
Adarsh Punnakkattu Vinu	Director of the company
Anaz Abdul Khader Bavaraparambil	Director of the company
Sruthi Mohammed Ali	Managing Director of the company
Ambily George	CFO of Company

Shalu Gupta (till 14-09-2024)	Company Secretary of Company
Sweety Jhunjhunwala (W.e.f 15-09-2024)	Company Secretary of Company
Deepak Malhotra (w.e.f 15-09-2025)	Company Secretary of Company
Kanone Petrochem Private Limited	Entity under common control of Director
Safa Plywoods Private Limited	Entity under common control of Director
Arshveer Traders Private Limited	Entity under common control of Director
Beatrix Import And Export Overseas Private Limited	Entity under common control of Director
Manzoor Kidhwai	Relative of KMP
Dheena Mohammed Sharafu	Relative of KMP
Laya Muhammed Ali	Relative of KMP
PI Muhammed Ali	Relative of KMP
Sayeeda Beevi	Relative of KMP

(All amounts in ₹ lacs, unless otherwise stated)

TRANSACTIONS WITH RELATED PARTIES						
Particulars	**For the year ended 31 March 25**	**% from revenue from operations**	**For the year ended 31 March 24**	**% from revenue from operations**	**For the year ended 31 March 23**	**% from revenue from operations**
salary expenses to						
Shalu Gupta	1.70	0.01%	0.14	0.00%	-	0.00%
Sruthi Mohammed Ali	3.00	0.01%	-	0.00%	-	0.00%
Sweety Jhujunwala	1.20	0.00%	-	0.00%	-	0.00%
Ambily George	3.48	0.01%	-	0.00%	-	0.00%
Loans taken from						
Faizal BA	6.32	0.02%	451.02	1.05%	3.35	0.01%
Sruthi Mohammed Ali	-	-	10.23	0.02%	24.57	0.10%
Safa System & Technologies Limited	538.90	1.94%	-	-	-	-
Loan repaid to						
Faizal BA	72.02	0.26%	60.6	0.14%	3.35	0.01%
Sruthi Mohammed Ali	-	-	10.23	0.02%	25.00	0.10%
Safa System & Technologies Limited	538.90	1.94%	-	-	-	-
Loan given to						
Faizal BA	-	-		-	2.52	0.01%

Loan and Advances received back from						
Faizal BA	15.00	0.05%	2.52	0.01%	25.00	0.10%
Sruthi Mohammed Ali	0.43	0.00%	-	-	-	-
Purchase of Goods						
Safa System & Technologies Limited	1,784.57	6.42%	5,513.92	12.86%	17,046.60	67.41%
Services purchased during the year						
Safa System & Technologies Limited	-	0.00%	34.94	0.08%	67.25	0.27%
Manzoor Kidhwai	5.62	0.02%	5.62	0.01%	4.54	0.02%
PI Muhammed Ali	5.62	0.02%	5.62	0.01%	4.54	0.02%
Sayeeda Beevi	5.62	0.02%	5.62	0.01%	4.54	0.02%
Expenses done on behalf of company						
Safa System & Technologies Limited	-	0.00%	0.06	0.00%	1.04	0.00%
Faizal BA	0.92	0.00%	9.36	0.02%	9.87	0.04%
Sale of Goods and Services to						
Safa System & Technologies Limited	-	0.00%	18.74	0.04%	213.19	0.84%
Total	**2,983.31**	**10.74%**	**6,128.60**	**14.30%**	**17,435.36**	**68.95%**

(Rs. in Lakhs)

Particulars	**Balance at the End of the Year**		
	As at 31 March, 2025	**As at 31 March, 2024**	**As at 31 March 2023**
Sundry Creditor;			
Safa System & Technologies Limited	(0.04)	0.40	1,028.17
Loan Receivable from:			
Faizal BA	0.00	15	17.52
Sruthi Muhammed Ali	0.00	0.43	0.43
Loan Payable to:	-	-	
Faizal BA	324.73	390.42	-
Sruthi Muhammed Ali	-	(0.43)	
Reimbursement payable to:			
Faizal BA	-	-	-

Salary Payable;			
Sruthi Muhammed Ali	2.55	-	-

For details pertaining to Related Party Transactions, kindly refer to the chapter titled "Financial Statements as Restated" – "Related Party Transactions" beginning on page no. 250 of this draft prospectus)

FINANCING ARRANGEMENT

There are no financing arrangements whereby the promoters, member of promoter group, the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity since inception of the company.

WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS AQUIRED BY OUR PROMOTERS IN THE LAST YEAR

Sr. No	Name of the Promoter	No. of Equity Shares Acquired during last one Year	Weighted Average Price (In ₹ per Equity Share)
1.	Faizal Bavaraparambil Abdul Khader	NIL	NIL
2.	Sruthi Muhammed Ali	NIL	NIL
3.	Anaz Abdul Khader Bavaraparambil	45	10
4.	Safa Systems & Technologies Limited	NIL	NIL

**As Certified by M/s Kapish Jain & Associates, Chartered Accountants dated September 24, 2025 vide UDIN: 25512562BMIGNT7400.*

AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:

Sr. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1.	Faizal Bavaraparambil Abdul Khader	28,82,224	4.86
2.	Sruthi Muhammed Ali	22,29,141	0.68
3.	Anaz Abdul Khader Bavaraparambil	45	10
4	Safa Systems & Technologies Limited	47,21,600	16.24

**As Certified by M/s Kapish Jain & Associates, Chartered Accountants dated September 24, 2025 vide UDIN: 25512562BMIGNT7400.*

DETAILS OF PRE-IPO PLACEMENT

Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus until the listing of the Equity Shares. Our Company undertakes:

1. That Pre-IPO proceeds being discretionary in nature, if raised, shall be completely attributed/adjusted towards GCP portion; unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the issue. A confirmation to this effect we shall submit at the time of filing of Draft Prospectus with the Exchange and the confirmation should form part of material documents available for inspection.

2. Disclosure shall be made of the price and the name of the shareholder on the day of the allotment in case if any Pre-IPO placement is done, through public advertisement. A confirmation to this effect we shall submit at the time of filing of Draft Prospectus with the Exchange and the confirmation should form part of material documents available for inspection. The details of the Pre-IPO shall also form part of the Price Band Advertisement.

Disclaimer: Our Company confirms that no pre-IPO placement of Equity Shares has been undertaken as on the date of this Draft Prospectus. Further, the Company undertakes that no pre-IPO placement shall be undertaken between the date of filing of this Draft Prospectus and the date of allotment of Equity Shares pursuant to this Issue.

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

Except as disclosed in this draft Prospectus, our company has not issued any Equity shares for consideration other than cash.

(For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled "Capital Structure" beginning on page no. 88 of this draft prospectus.)

DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR

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

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

As on the date of this Draft Prospectus, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

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SECTION III- RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the Chapters titled **"Business Overview"** and **"Management's Discussion and Analysis of Financial Position and Results of Operations"** on page *151* and *258*, respectively of this Draft Prospectus as well as other financial and statistical information contained in this Draft Prospectus. 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 risks mentioned herein. This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto.

Materiality

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

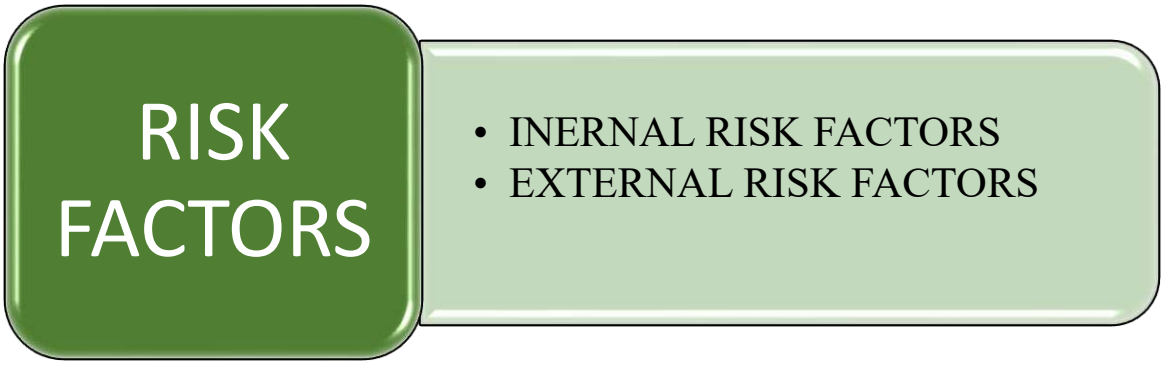
1. Some events may have material impact quantitatively;

2. Some events may have material impact qualitatively instead of quantitatively.

3. Some events may not be material individually but may be found material collectively.

4. Some events may not be material at present but may be having material impact in future.

The risk factors are classified as under for the sake of better clarity and increased understanding:



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INTERNAL RISK FACTORS

1. **Our Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.**

Our Company derive revenues from diversified customers. Based on restated audited financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our revenue from top one (1), top three (3), top five (5) and top ten (10) customers are as follows:

(Amount in Lakhs)

Sr. No.	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
1.	Revenue from top one (1) customer	10,468.88	37.67%	19,872.62	46.35%	12,156.99	48.08%
2.	Revenue from top Three (3) customers	21,790.95	78.41%	35,819.81	83.55%	23,732.19	93.85%
3.	Revenue from top five (5) customers	23,506.9	84.59%	41,137.69	95.96%	24,414.74	96.55%
4.	Revenue from top ten (10) customers	25,480.48	91.69%	42,475.33	99.08%	25,015.94	98.93%

Our Company is engaged in the business of trading and export of smart phones, mobile accessories and other electronic products to small, medium, and large enterprises. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in demand may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time. Details of revenue generated from top 10 customer please refer "Our Business" on page no. 151 of this Draft Prospectus.

2. **Majority of the revenue of the company come from the top 3 key customers of the company.**

Our company rely on few key customers that presents several risks that can threaten financial stability and long-term growth. One of the primary concerns is revenue concentration risk, where the loss of a major customer can lead to a significant decline in income, making it difficult to cover operational costs. Additionally, key customers may have strong bargaining power, allowing them to negotiate lower prices, better payment terms, or exclusive contracts that reduce the company's profitability. This dependence can also create cash flow volatility, as any delays in payments from these customers can disrupt the company's liquidity and overall financial health.

Another major risk is competitive disruption, where competitors may aggressively target these key customers, leading to potential revenue loss. If a key customer decides to switch to another provider, the company might struggle to replace that income quickly. Furthermore, economic downturns or industry-specific challenges affecting these customers can have a ripple effect on the company, amplifying financial strain. Over time, overdependence on a few customers may also hinder market expansion, as the company focuses too much on serving existing clients rather than diversifying into new markets. Details of revenue generated from top 10 customer please refer "Our Business" on page 151 of this Draft Prospectus

3. **Our customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.**

Our Company has long standing business relationships with certain customers and has been supplying our products to such customers. However, we have not entered into any long-term contracts with these customers and we cater to them on purchase order basis. Our customers may also terminate their relationships with us without any notice which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products and customer's inventory management. Although we place a strong emphasis on quality, timely delivery of our products, etc., in the absence of contracts, any sudden change in the buying pattern of customers could adversely affect the business and the profitability of our Company.

4. **Our company is Export Trading Company (ETC).**

Export trading companies (ETCs) face several risks that can impact their operations and profitability. Market risks, such as changes in foreign demand, economic downturns, or shifting consumer preferences, can affect sales and revenue. Currency exchange fluctuations pose another challenge, as variations in exchange rates can erode profits when dealing with multiple currencies. Political and legal risks, including trade restrictions, tariffs, sanctions, and unstable government policies, can disrupt business operations in international markets. Logistical risks, such as shipping delays, supply chain disruptions, or transportation failures, can lead to financial losses and damaged relationships with buyers. Additionally, financial risks arise from potential non-payment by foreign buyers, fraudulent transactions, or economic instability, which can strain cash flow. Compliance with international trade laws, customs regulations, and export controls is crucial, as violations can result in heavy fines and legal consequences. Cultural and language barriers may also lead to miscommunication, contract disputes, and lost business opportunities. Furthermore, ETCs must contend with intense global competition from larger or lower-cost suppliers, which can reduce market share. Maintaining product quality and ensuring compliance with local standards is vital, as subpar goods can damage a company's reputation and lead to legal liabilities. Lastly, transportation and insurance risks, such as damage or loss of goods during transit, can result in significant financial setbacks if not adequately covered.

5. **Company had advanced a loan to a director, which, though repaid, may raise concerns relating to related party transactions and compliance.**

On March 31, 2022, our Company extended a loan of ₹40.00 lakhs to one of our Directors, Mr. Faizal Bavaraparambil Abdul Khader. The said loan was fully repaid by Mr. Faizal in three tranches, and there is no outstanding amount as on the date of this Draft Prospectus.

Although the loan has been repaid in full, the extension of a loan to a director may be perceived as a potential conflict of interest and may raise concerns relating to corporate governance practices, transparency in related party transactions, and the appropriateness of internal controls around financial decision-making.

Further, if any instance of non-compliance with applicable provisions of the Companies Act, 2013 or other regulatory requirements is identified in connection with the said transaction, it may attract regulatory scrutiny or penalties, which could have an adverse impact on our reputation, business operations, or financial condition. Potential investors should carefully consider this matter, along with the other risk factors and disclosures provided in this Draft Prospectus, before making any investment decision.

6. **A substantial portion of our revenue is derived from the Dubai market, exposing us to concentration risk that could materially and adversely affect our business, financial condition, and results of operations.**

Our revenue generation is significantly concentrated in a single geographic market—Dubai, United Arab Emirates. For the last three financial years, over 80% of our total revenue has been derived from this market: 95.69% in FY23, 92.11% in FY24, and 80.53% in FY25. Our operational and financial performance is therefore heavily dependent on the economic, political, regulatory, and competitive conditions prevailing in Dubai. Any adverse development in this region—such as an economic slowdown, changes in government policies or regulations, increased competition, or geopolitical tensions—could significantly impact our revenue and profitability. Furthermore, our growth prospects may be constrained if we are unable to effectively diversify into other geographies or customer segments.

In the event of disruptions to our business operations in Dubai due to external or internal factors—such as supply chain interruptions, customer loss, currency fluctuations, or regulatory restrictions—our ability to maintain revenue levels and meet financial projections may be impaired. Additionally, overdependence on a single market reduces our resilience to localized downturns and increases the volatility of our financial performance.

Although we are exploring opportunities to expand into other regions to mitigate this concentration risk, there can be no assurance that such efforts will be successful or timely. The failure to reduce our dependence on the Dubai market could have a material adverse effect on our business, cash flows, and financial condition.

7. **Our Company relies on third-party service providers for activities such as quality checking, transportation, packing, shipping, and procurement.**

Our Company relies on third-party service providers for activities such as quality checking, transportation, packing, shipping, and procurement. Relying on third-party service providers for quality checking, transportation, packing, shipping, and procurement introduces several risks that can impact the company's operations, costs, and reputation.

One major risk is the loss of quality control, as outsourcing quality checking may lead to inconsistencies, defects, or non-compliance with regulatory standards. Without direct oversight, ensuring product reliability and adherence to company standards becomes challenging, potentially affecting customer satisfaction.

Supply chain disruptions also pose a significant risk. Dependence on third parties makes the company vulnerable to delays caused by logistical issues, labor strikes, supplier failures, or geopolitical factors. Any disruption in procurement, transportation, or shipping can lead to delayed deliveries, stock shortages, or increased costs.Another critical concern is cost uncertainty, as outsourcing may involve hidden fees, fluctuating service charges, or penalties for changes in demand. Additionally, third-party vendors may not always prioritize cost efficiency, leading to increased operational expenses. The company also faces legal and compliance risks when third-party providers fail to adhere to industry regulations, labor laws, environmental standards, or ethical sourcing practices. Non-compliance can result in legal liabilities, fines, or reputational damage. Furthermore, loss of operational control can limit flexibility, making it difficult for the company to quickly adapt to changing market conditions or customer expectations. Over-reliance on external vendors also creates dependency risks, making it challenging to switch providers or bring operations in-house if necessary. Finally, data security and confidentiality risks arise when third-party vendors handle sensitive business information. If they lack robust cybersecurity measures, the company may be exposed to data breaches, intellectual property theft, or unauthorized access to critical information.

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

We are a wholesale distribution and trader of smart phones, mobile accessories and other electronic products to small, medium, and large enterprises. This industry is highly competitive, where goodwill and reputation have a huge significance, any change in consumer's likes, preferences or a change in their demands regarding the quality and authenticity of our products, may negatively affect the image and reputation of our products and consequently that our Company. Further, such incidences may expose our Company to liabilities and claims, adversely affect our reputation, growth and profitability. In past three years no such instances occurred in the Company.

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

Our business model requires us to maintain a certain level of inventory of our goods, to meet the present and future orders. Our current inventory turnover ratios for FY 2022-23, FY 2023-24 and FY 2024-25 are 194.58, 172.25 and 33.56 respectively, which are sufficient to meet the current demand. In future, if we underestimate the orders that we may receive, we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses. In past three years no such instances occurred in the Company.

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

Our Company had reported certain negative cash flows in the previous years as per the Restated Financial Statements and the same are summarized as under:

(Rs in lakhs)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash Generated/(Used) From Operating Activities	115.75	(1,627.11)	(788.18)

Cash Generated/(Used) From Investing Activities	(387.97)	(2.04)	2.10
Cash Generated/(Used) From Financing Activities	284.12	1,831.29	777.96

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled "Financial Information" beginning on Page 222 of this Draft Prospectus. For more details refer chapter titled "Managements' Discussion and Analysis of Financial Condition and Results of Operation" on page 258 of this Draft Prospectus.

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

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled "Financial Information" beginning on Page 222 of this Draft Prospectus.

12. The Company has entered into new vertical of e-commerce; we cannot assure that we will get adequate business from e-commerce.

Entering the e-commerce vertical presents significant opportunities for growth; however, it also comes with inherent risks and uncertainties. The success of our e-commerce venture depends on various factors, including market acceptance, customer acquisition, competition, and operational efficiency. There is no assurance that we will receive an adequate number of orders to achieve profitability or sustain long-term growth. Consumer preferences and purchasing behavior in the digital space are constantly evolving, and failure to adapt to these changes may impact our ability to attract and retain customers. Additionally, the highly competitive nature of the e-commerce industry, with established players and new entrants, may put pressure on our pricing, marketing strategies, and overall market position. Challenges related to supply chain management, logistics, and technology infrastructure could further impact order fulfillment and customer satisfaction. Any inability to effectively scale operations, manage costs, or differentiate our offerings may result in lower-than-expected demand, which could adversely affect our financial performance and business prospects.

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

As on the date of this Draft Prospectus, our Promoter and Promoter Group hold 99.99% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoter and Promoter Group will continue to hold together 70.00% of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and

acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

14. There may be potential conflicts of interest if our Promoters or Directors are involved in any business activities that compete with or are in the same line of activity as our business operations.

One of our Promoter Entity namely Safa Systems & Technologies Limited is involved in business of trading of electronic goods. Also, our Company has entered into various transaction such as purchase and sale in past with our Group Company and Promoter Group Entities and will continue to do in future. For detailed information for our transaction with Promoter Group Entity please refer to Annexure IX of Restated Financial Statement under chapter titled "Financial Information" beginning on page 222 of this Draft Prospectus.

Further, we have not entered into any non-compete agreement with the said entities. We cannot assure you that our Promoters who has common interest in said entities will not favour the interest of the said entities as a result; conflicts of interests may arise in allocating business opportunities amongst our Company and our Promoter Group Entity in circumstances where our respective interests diverge. There can be no assurance that our Promoters or our Promoter Group Entity 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. 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. For further details, please refer to chapter titled "Our Promoter and Promoter Group" beginning on Page of 208 this Prospectus.

15. Our Company had filed certain ROC forms with delayed fees and Company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.

Our company has filed certain roc forms with delayed fees with ROC in the past years. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

We would like to inform you that following are the forms that the company has filed with delayed fees with ROC:

Sl. No.	Particulars of forms	Financial year	Normal Fees	Additional Fees
1.	ADT-1 for the financial year ended 2022	2021-22	400	400
2.	ADT-1 for the financial year ended 2024	2024-25	600	1200
3.	ADT-1 for the financial year ended 2024	2024-25	600	2400
4.	ADT-1 for the financial year ended 2029	2024-25	600	600
5.	ADT-1 for the financial year ended 2025	2024-25	600	1200
6.	MGT-14 Adoption of Terms of MD	2024-25	600	1200
7.	DIR-12 Appointment & Cessation of CS	2024-25	600	1200
8.	CHG-1	2022-23	600	1800
9.	CHG-1	2022-23	600	1800
10.	DPT-3	2022-23	600	7200
11.	DPT-3	2023-24	600	1200

12.	INC-27	2024-25	600	2400
13.	MGT-7 for the financial year 2023-24	2024-25	600	100
14.	MGT-7 for the financial year 2022-23	2022-23	600	300
15.	AOC-4 XBRL for the financial year 2022-23	2022-23	600	300
16.	PAS-3	2021-22	600	7200
17.	CHG -1	2025-26	600	3600
18.	DPT-3	2025-26	600	1200

Note:

1. *the above data is based on the Challans available on the website of Ministry of Corporate Affairs i.e. (https://www.mca.gov.in/mcafoportal/checkFilingStatus.do).*

As part of strengthening internal controls, the company has implemented a comprehensive compliance calendar specifically for ROC related filings. To ensure timely and accurate compliance, a dedicated Compliance Officer has been appointed to oversee and monitor all statutory requirements. The officer is responsible for rectifying any previously missed deadlines and ensuring that all future filings are made within the prescribed timelines. This structured approach reflects the company's strong commitment to regulatory compliance and governance.

16. The company has inadvertently filed form PAS -3 for allotment as conversion of loan, which was actually the right issue.

The company has inadvertently filed form PAS -3 dated 28.03.2022 and 31.03.2022 vide SRN: T92619782 and T93322642 respectively, as conversion of loan, which was actually the right issue. However, the Company has filed the revised PAS-3 dated 15.02.2025 vide SRN: AB2717639. Since filings with the Registrar of Companies (ROC) must be accurate, an incorrect submission may lead to increased scrutiny from the authorities. Even though the company has taken corrective action by submitting a revised PAS-3 with the correct details, there is still a chance that the ROC may raise queries regarding the initial mistake. This could result in delays in approvals, additional explanations being required, or even penalties in some cases.

17. Our Company, Promoters, Directors and KMP are involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

There are outstanding legal proceedings involving our Company and our Promoter which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and Promoter. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Certain details of such outstanding legal proceedings as of date of this Draft Prospectus are set out below:

Particulars	No. of Cases	Total Amount Involved (Amt in Lakhs)
Proceedings against our Company		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings by our Company		
Civil	NIL	NIL
Criminal	NIL	NIL

Tax	NIL	NIL
Proceedings against our Promoters/Directors		
Civil	1	32.58
Criminal	NIL	NIL
Tax		
a) Faizal Bavaraparambil Abdul Khader	1	0.30912
b) Anaz Abdul Khader Bavaraparambil	1	0.22465
c) Sruthi Muhammed Ali	4	1.84366
Proceedings by Promoters/Directors		
Civil	NIL	NIL
Criminal	1	250.00
Tax	NIL	NIL
Proceedings against/by KMP		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

Further, there is no assurance that in future, we, our promoters, our directors or promoter group companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. 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. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company.

For further details, please refer chapter "Outstanding Litigation and Material Development" beginning from page no. 272 of this draft prospectus.

18. Our company has delayed filing few returns of Good and Service Tax. The Delay in making any Statutory payments viz. Good and Service Tax or any other Statutory dues which may attract any penalty or demand raised by statutory authorities in future will affect financial position of the Company.

Our Company is engaged in the Trading business, which attracts tax liability such as Goods and Service tax and other Statutory taxes as per the applicable provisions of Law. Any demand or penalty imposed by the concerned authority in future for late payments or non-payments, both for any previous year and current year, will have an impact on the financial position of the Company.

Following are the details of late returns/payment filed/paid by the company:

1. **Good and Service Tax**

SR NO.	TYPE OF FORM	DUE DATE	ACTUAL DT. OF FILED
1.	GSTR-1/IFF	13-Feb-23	15-Feb-23
2.	GSTR-1/IFF	13-May-23	21-May-23
3.	GSTR-3B	20-May-25	28-May-25

Delay in making any Statutory payments viz. Tax Deducted at Source, Income Tax, Good and Service Tax, Employee Provident Fund, or any other Statutory dues which may attract any penalty or demand raised by statutory authorities in future will affect financial position of the Company. Our Company is engaged in the trading business, which attracts tax liability such as Goods and Service tax and Income tax and other Statutory taxes as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty imposed by the concerned authority in future for late payments or non-payments, both for any previous year and current year, will have an impact on the financial position of the Company.

19. **Company's Registered Office and Branch Office are not owned by the company and taken on the lease. Any termination of the relevant lease agreement in connection with such property or our failure to renew the same could adversely affect our operations.**

All the offices of the company are on lease across pan India located in Kerala, Pune and Delhi. We have obtained these properties on lease details of the same are as follows:

Sl. No.	Location	Address	Total Area (Sq. m)	Lease / Owned	Usage Purpose	Lease Tenure	Lease Rent	Name of Transferer/ Lessor	Date of Agreement
1.	Kerala	B4(1), 46/2678, Kaniyapilly Road, Chakkarapara mbu Vennala P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028	69.6773	Lease	Registered Office	11 months	20,180/- PM the rent will be enhanced @8% per eleventh months	Mr. K.R. Pradeep Kumar	11/08/2025
2.	Pune	Office No. 3060, 3rd Floor, Marvel Fuego, Magarpatta City Road, Hadapasar, Pune, 411028	37.1612	Lease	Branch Office	60 Months	Rs. 30000/- per month for the first 12 months, Rs. 31500/- per month for the next 12 months, Rs. 33075/- per month for the next 12 months, Rs. 34728/- per month for the next 12 months, Rs. 36464/- per month for the	Mr. Noel D Souza	20/01/2025

							next 12 months.		
3.	Delhi	38, Khemchand Market, khanpur, Mehrauli Badarpur Road, New Delhi	18.5806	Lease	Branch Office	11 Months	Rs. 7,500/- per month	Mr. Natwar Lal Agrawal	19/02/2025
4.	Delhi	Plot No. Ground Floor, Block-A3, Chanakya Place Part-1, Sitapuri, Near Popli Hospital, Uttam Nagar, New Delhi-110059	18.5880	Lease	Branch Office	11 Months	Rs. 9000/- Per Month.	Raju	08/09/2025

The Company operates co-working spaces across multiple locations in India, including **Hyderabad, Punjab, Bengaluru, Bhopal, Bihar, Gurugram, Kolkata, Noida, Odisha and Tiruchirappalli. These centers are strategically established to cater to diverse business requirements and to enhance our pan-India presence.*

Any termination of the lease in connection with these properties or our failure to renew the same, in a timely manner or at all could adversely affect our operations if we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. In past three years no such instances occurred in the Company. For details regarding properties taken on lease refer the Section titled Place of Business on "Our Business" beginning on page no. 151 of this Prospectus.

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

Our Company is significantly dependent on a limited number of suppliers. Based on audited restated financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our revenue from top one (1), top three (3), top five (5) and top ten (10) Suppliers are as follows:

Sr. No.	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
1.	**Revenue from top one (1) Supplier**	9,384.03	33.69%	14,243.84	34.02%	17,025.92	68.06%
2.	**Revenue from top three (3) Supplier**	**24,209.83**	**86.92%**	**35,999.46**	**85.99%**	**24,556.69**	**98.17%**

2.	**Revenue from top five (5) Suppliers**	**26631.18**	**95.62%**	**41,858.20**	**99.98%**	**24,744.26**	**98.92%**
3.	**Revenue from top ten (10) Suppliers**	**27,855.41**	**99.83%**	**41,864.23**	**100.00%**	**25,012.37**	**99.98%**

Our top suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process from these suppliers might change as we continue to seek more cost-effective suppliers in normal course of business. Since our business is concentrated among relatively few significant suppliers, we could experience a reduction in our purchases and business operations if we lose one or more of these suppliers, including but not limited on account of any dispute or disqualification.

While we believe we have maintained good and long-term relationships with our other suppliers too, there can be no assurance that we will continue to have such long-term relationship with them as we don't have any long-term agreements. We cannot assure that we shall do the same quantum of business, or any business at all, with these customers, and loss of business with one or more of them may adversely affect our purchases and business operations. In past three years no such instances occurred in the Company.

21. Supply Chain Disruptions can hamper our sale of goods.

We supply our goods through logistic service providers. However, company has a formal agreement with a logistics service provider, certain risks remain that could impact operations, finances, compliance, reputation, and overall business strategy.

One key risk is contractual limitations, where the agreement may not fully cover all potential disruptions, such as force majeure events (e.g., natural disasters, strikes, or political instability) that can delay shipments. Additionally, hidden costs may arise due to contract loopholes, fluctuating fuel prices, regulatory changes, or unforeseen surcharges that were not initially anticipated. Even with service-level agreements (SLAs) in place, operational inefficiencies like inventory mismanagement, route optimization failures, or lack of real-time tracking can still occur, leading to supply chain disruptions.

Security and compliance risks also persist. The logistics provider may fail to comply with evolving industry regulations, customs policies, or safety standards, leading to legal liabilities or financial penalties for the company. Furthermore, cargo theft, cyber threats, or data breaches remain concerns, especially if sensitive business information is shared with third parties. In terms of reputation, if the logistics provider underperforms or mishandles deliveries, customers may still associate the delays or poor service with the company itself, damaging brand trust. Strategically, over-reliance on a single logistics provider remains a vulnerability, even with a formal contract in place. If the provider experiences financial difficulties, operational shutdowns, or sudden contract terminations, the company may struggle to find an alternative logistics partner quickly, leading to significant supply chain disruptions. Additionally, contract rigidity can be an issue, as long-term agreements may limit flexibility to switch providers or adapt to new market conditions. To minimize these risks, companies should ensure that their contracts include detailed SLAs, clear penalty clauses, insurance provisions, cybersecurity measures, and an exit strategy. However, continuous monitoring, alternative supplier relationships, and periodic contract reviews remain essential for mitigating risks effectively.

22. We have consistently received payments on or before the due dates. However, we cannot guarantee that future payments may not be delayed.

In last three years i.e. FY 2024-25, FY 2023-24 and FY 2022-23 our trade receivable is

(Rs in lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables	2,476.80	2,592.56	2,174.23

While we currently have no bad debts and have consistently received payments from trade receivables either on or before the maturity date, we cannot guarantee that this trend will continue indefinitely.

Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables turnover ratio (In times)	10.96	17.99	23.14

Further our trade receivables ratio is highly volatile which may strain our cash flow. The ability to receive timely payments depends on various factors such as changes in the financial stability of our customers, market conditions, and any unforeseen disruptions in their operations. While we have a credit policies and follow-up procedures to manage receivables, there remains an inherent risk that some payments may be delayed or become uncollectible in the future. For further details please refer to chapter titled "Financial Information" beginning on page 222 of this Draft Prospectus.

23. The company has frequently changed its statutory auditor during the last three financial year.

Frequent changes in auditors can pose significant risks to a company, including financial, regulatory, operational, and reputational challenges. From a financial perspective, inconsistent audits may lead to errors or misstatements in financial statements, potentially causing non-compliance with accounting standards and tax regulations. Additionally, regulatory bodies may view frequent auditor changes as a red flag, suspecting attempts to manipulate financial reports or conceal financial issues, which could lead to increased scrutiny, penalties, or even legal action. Operationally, each new auditor requires time to understand the company's financial history and business operations, leading to inefficiencies, delays in reporting, and increased costs. Moreover, frequent auditor turnover can undermine investor confidence, as stakeholders may interpret it as a sign of financial instability or poor corporate governance, potentially affecting stock value and the company's ability to raise capital. To mitigate these risks, companies should maintain transparency in communicating the reasons for auditor changes, ensure smooth transitions by providing accurate financial records, adhere to regulatory guidelines on auditor rotation, and strengthen internal controls to uphold financial integrity. Without proper management, frequent auditor changes can lead to severe financial and reputational consequences.

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

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits.

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

against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. In past three years no such instances occurred in the Company. For details of material approvals applied for, but not received by our Company, see 'Government and Other Approvals' on page 278.

25. We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.

As of March 31, 2025, our long-term borrowings were ₹ 518.16 Lakhs & short-term borrowings were ₹ 2,648.03 Lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

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

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. In past three years no such instances occurred in the Company. For further details of our Company's borrowings, see "Financial Information" on page 222 of this Prospectus.

As on March 31, 2025, our total secured borrowings amounted to ₹ 2,584.47 Lakhs from Banks. Our leverage has several important consequences, including the following:

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

Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

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

For further details of our loans, please refer chapter titled "Financial Information" beginning on Page 222 of this Draft Prospectus.

26. Our recent high growth rates may not be sustainable and could expose us to operational and financial risks.

In recent years, we have witnessed significant growth in our operations and profitability. Our revenue from operations increased from ₹25,287.34 lakhs in FY 2023 to ₹42,871.68 lakhs in FY 2024, reflecting a growth of approximately **69.5%**. Similarly, our profit after tax increased from ₹352.05 lakhs in FY 2023 to ₹614.23 lakhs in FY 2024, marking a growth of approximately **74.5%**. This growth highlights the scalability and potential of our business model.

However, in FY 2025, our revenue from operations declined to ₹27,790.46 lakhs from ₹42,871.68 lakhs in FY 2024, representing a decrease of approximately **35.2%**. Correspondingly, our profit after tax decreased to ₹428.57 lakhs in FY 2025 from ₹614.23 lakhs in FY 2024, reflecting a decline of approximately **30.2%**. While the growth in prior years demonstrates our business capability, the recent decline underscores the challenges in maintaining consistent growth in a dynamic market environment.

Rapid growth, when it occurs, may place significant demands on our operational, financial, and managerial capacities. Any inability to effectively manage expansion, ensure adequate working capital, or address increasing business complexities could adversely impact our operations. Furthermore, a slowdown in growth may materially and adversely affect our business, financial condition, and future prospects.

27. We rely on affidavits provided by our promoter group and group companies regarding shareholding in other entities

As per the SEBI ICDR Regulations, our Draft Prospectus is required to disclose details of companies in which members of our Promoter Group and our Group Companies hold shareholding. For the purpose of such disclosures, we have relied on information and confirmations provided by our Promoter Group members and Group Companies, including through affidavits furnished by them, declaring their shareholding in other entities.

While such information has been included in this Draft Prospectus based on the disclosures made to us, we have not independently verified the accuracy or completeness of such details. In the event it is discovered that any such disclosure is inaccurate, incomplete, or if any relevant entity has been omitted, this may result in regulatory scrutiny, reputational harm or could adversely affect investors' confidence in our corporate governance standards.

28. Our Promoters and promoter groups have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters and promoter group named Faizal Bavaraparambil Abdul Khader, Manzoor Kidhwai, MuhamadAli P I, Sayeeda Beevi Muhammed, Sruthi Muhammed Ali, Riyas K A, and Suhara Khader have provided personal guarantees in relation to certain loan facilities of Rs. 2,347.16 lakhs sanctioned to us as

on March 31, 2025. For Further details related to Principal terms of Secured Loans and Assets charged as Security, please refer to chapter titled "Financial Information" beginning on Page 222 of this Draft Prospectus.

Following is the list of the secured loan and borrowing (short term and long term) in which personal guarantee has been given by the promoter:

(Rs In lakhs)

Name of Lander	Purpose	Rate of Interest	Outstanding amount as at 31st March 2025	Outstanding amount as at 31st March, 2024	Outstanding amount as at 31st March 2023
State Bank of India EPC	Working Capital	7.65% p.a	1,996.89	2,012.41	674.21
State Bank of India CC/OD	Working Capital	10.40% p.a.	150.26	149.24	151.47
State Bank of India Bill Discounting	Working Capital	9.70% p.a.	200.00	99.41	-

In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

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

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to developed relationships with customer. For further details, see the section titled "Our Business" on page 151 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

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

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

30. Our Significant Dependence on Export Markets Exposes Us to Geopolitical Risks, Import Duties, and Loss of Fiscal Benefits, Which May Adversely Affect Our Business and Results of Operations

Our Company exports products to various international markets, including Dubai, China, Iraq, Russia, Egypt, and others. A substantial portion of our revenue is derived from exports, as reflected in the export revenue contribution of 84.37% for the year ended March 31, 2025; 99.88% for the year ended March 31, 2024; and 95.69% for the year ended March 31, 2023. For further details, please refer to the chapter titled "Our Business" beginning on page 151 of this Prospectus.

This heavy reliance on international markets exposes us to several risks. Different countries impose varying import duties, taxes, and trade restrictions on goods imported into their jurisdiction. Any increase in such import duties, introduction of new tariffs, or imposition of regulatory barriers may adversely impact the pricing and competitiveness of our products in those markets, which could negatively affect our financial performance.

Furthermore, our business may be affected by changes in fiscal incentives or export-related benefits currently available to us. If such benefits are withdrawn or if we are unable to comply with eligibility requirements, it could have a material adverse effect on our margins and profitability.

In addition, geopolitical instability or conflict involving India or the countries to which we export may lead to diplomatic tensions, trade restrictions, sanctions, or embargoes. For example, any deterioration in India's relations with key export destinations such as Dubai, China, Iraq, or Russia could disrupt supply chains, delay shipments, increase costs, and result in reduced or lost market access. Similarly, political or civil unrest in regions such as the Middle East or Africa—including countries like Egypt —could disrupt logistics operations and dampen demand for our products. Such geopolitical risks, combined with changes in trade policies or fiscal regimes, could materially and adversely affect our business operations, revenue streams, and overall financial condition.

31. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.

Our business operates in a working capital-intensive industry, with a significant portion of our working capital deployed towards trade receivables. The average credit period in the electronic goods trading industry typically ranges between 30 to 45 days. Our Company has maintained a relatively efficient receivables cycle, with debtor days of 33 days, 20 days, and 16 days for the Financial Years ended March 31, 2025, 2024, and 2023, respectively.

Our net working capital stood at ₹ 4,434.62 lakhs, ₹ 3,883.76 lakhs, and ₹ 1,295.85 lakhs for the Financial Years ended March 31, 2025, 2024, and 2023, respectively. We intend to continue adhering to prudent credit practices in line with prevailing industry norms to ensure efficient management of our receivables.
The working capital requirement for the Financial Years 2026 and 2027 is estimated at ₹ 5,414.92 lakhs and ₹ 6,094.29 lakhs, respectively. Given the nature of our operations—characterized by high transaction volumes and tight margins—adequate and timely availability of working capital is critical for sustaining and expanding our business.

Any insufficiency in internal accruals, delay in securing external financing, or inability to obtain funds on commercially acceptable terms may adversely affect our ability to meet working capital requirements, which could, in turn, impact our operational performance, profitability, and future growth prospects.

32. The prior professional experience of our Company Secretary could not be substantiated through authentic documentation, and accordingly, has been recorded as Nil for the purpose of this Draft Prospectus.

Our Company Secretary has disclosed certain prior work experience; however, we have been unable to obtain authentic documentation or verifiable experience certificates to substantiate such claims. As a result, for the purposes of this Draft Prospectus, the experience of our Company Secretary has been recorded as Nil. While the individual currently fulfills all regulatory and legal requirements and adequate experience to serve in this capacity, the lack of verifiable prior experience may raise concerns regarding their ability to

handle complex corporate compliance matters, especially during and after the public issue process. Any inadequacy in discharging duties related to statutory compliance, regulatory filings, or corporate governance could expose our Company to regulatory scrutiny, penalties, or reputational damage.

33. **Our company's reliance on exports exposes us to currency fluctuation risks. An appreciation of the Indian Rupee could reduce revenue when converting foreign earnings to INR, shrinking profit margins and leading to lower profit after tax. Without provisions like hedging strategies, this risk could severely impact profitability and financial stability.**

Our company generates significant revenue from foreign currency sales, as we export products to various global markets, including Dubai, Iraq, Russia, China, and others. A substantial portion of our revenue is derived from international markets, as reflected by the export revenue percentages over the past few years.

This heavy reliance on exports exposes us to the risk of currency fluctuations, as the exchange rate between the Indian Rupee and other currencies is volatile and may continue to fluctuate in the future. If the Indian Rupee appreciates against foreign currencies, this could negatively affect our revenue, especially when converting foreign earnings back into INR. Consequently, this could lead to shrinking profit margins and a decrease in profit after tax. Although we generally hedge our foreign currency exposure, we do not have a provision or mechanisms to mitigate the risks of unforeseen or adverse fluctuations in the exchange rate for unhedged foreign currencies. This lack of hedging strategies, such as forward contracts or currency options, exacerbates our vulnerability to currency volatility. Without financial instruments or protective strategies in place, any significant depreciation of the Indian Rupee could severely impact our profitability, leading to diminished profits and potential financial instability.

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

Our Company has been availing unsecured loans from Directors and Promoter group from time to time. The total outstanding payable to them as on March 31st, 2025 amounts to Rs.261.16 Lakhs. As per the sanction letter P415PLA7471903 issued by Bajaj Finance Limited, a loan amounting to ₹448.32 lakhs was disbursed to M/s Kanone Technologies Private Limited (one of the co-applicants) on 18 April 2023. The said loan was originally applied by Safa Plywood Private Limited, a group company, and was subsequently disbursed to Kanone Technologies Private Limited as per the instructions of Mr. Faizal Bavaraparanmbil Abdul Khadar. While Kanone Technologies Private Limited was a co-applicant for the loan, along with Mr. Faizal Bavaraparanmbil Abdul Khadar and other directors, it was not the entity that initially applied for the loan. As a result, Mr. Faizal Bavaraparanmbil Abdul Khadar has assumed full responsibility for the said loan. Furthermore, in accordance with the agreement between Mr. Faizal Bavaraparanmbil Abdul Khadar and Kanone Technologies Private Limited, the loan amount is deemed to have been extended by Mr. Faizal Bavaraparanmbil Abdul Khadar to Kanone Technologies Private Limited. The Company is required to make an Equated Monthly Installment (EMI) payment of ₹5,29,694/- (Rupees Five Lakhs Twenty-Nine Thousand Six Hundred Ninety-Four Only) per month until the full repayment of the loan. For further details regarding loans availed by our Company, please refer "Financial Information" on page 222 of this Draft Prospectus.

35. **We rely extensively on our information technology systems and any failure, disruption or weakness in such systems, or breach of data, could adversely affect our operations and reputation. Further, our success depends on our ability to innovate, upgrade and adapt to new technological advances.**

We are extensively dependent on the information technology systems ("**IT Systems**") for operating our technology platform and our ability to efficiently and reliably process volume of transactions across various locations, as well as for certain critical functions including financial controls, risk management and transaction processing. Any disruption to our IT Systems or our ability to process our transactions efficiently

and reliably, may adversely affect our operations, reputation and our financial position. In addition, our success will depend, in part, on our ability to respond to and keep pace with new technological advances and consumer trends and other services industry standards and practices in a cost-effective and timely basis. The development and implementation of such technology, including with respect to new operating systems, entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction processing systems to customer requirements or improving market standards. Weakness, disruption, breach or failure in our IT Systems may have significant consequences on our business, financial condition and results of operations, including disabling or malfunctioning of our data processing systems; inability to or a deterioration in servicing our customers on a timely basis or at all; non-availability of certain information for our management in order to enable them to plan for or respond to contingencies and changes in market conditions in a timely manner or at all; and loss of confidential or material data in relation to our business, operations, financial products and services and employees.

36. We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.

The market in which our company operates is highly competitive due to the presence of both organized and unorganized players. Competitors in this industry typically for market share by emphasizing key attributes such as product quality, price, customer service, and innovation. Some of our competitors have significant advantages, including longer industry experience and superior financial, technical, and operational resources. These advantages may enable them to respond more quickly to changing market conditions, adapt to new trends, and invest in advanced technologies, all of which can enhance their competitive edge. Consequently, we must remain agile and continually evaluate and adjust our strategies to maintain our market position. If we are unable to compete successfully, we could lose our customers, which would negatively impact our sales and financial performance. Further, the competitive nature of the export industry may result in lower prices for our products and decreased gross profit margins, either of which may materially adversely affect our sales and profitability.

37. Failing to secure future working capital loans would lead to severe liquidity issues, disrupting operations, causing delayed deliveries, and damaging supplier and client relationships. This would increase short-term liabilities, reduce assets through forced liquidation, and result in negative operating cash flow, severely impacting our financial stability and growth potential.

Over the years, we have relied on various loans to support operational needs and ensure smooth business functioning. At present, we have eight outstanding loans, each contributing to our overall working capital. These loans have been essential in maintaining day-to-day operations, ensuring that we can meet payroll, pay suppliers, and manage other essential expenses that are necessary for the business's growth and stability. Details of the loans are:

(Rs in lakhs)

Name of Lender	Purpose	Total Outstanding amount as at March 31, 2025	Security	Rate of Interest	Repayment Schedule
State Bank of India Cash Credit	Working Capital	150.26	(Secured by way of first charge on the stock and receivables, Immovable Property of the Director and further guaranteed by the promoter director)	10.40%	On Demand

State Bank of India EPC	Working Capital	1,996.89	(Secured by way of first charge on the stock and receivables, Immovable Property of the Director and further guaranteed by the promoter director)	7.65%	On Demand
State Bank of India Bill Discounting	Working Capital	200	(Secured by way of first charge on the stock and receivables, Immovable Property of the Director and further guaranteed by the promoter director)	9.70%	On Demand

If we fail to secure the necessary loan in future to meet our working capital requirements, we will be at significant financial risk. We might face severe liquidity issues, preventing us from fulfilling essential obligations This situation would directly disrupt our business operations, leading to delayed deliveries, potential stock shortages, and a loss of trust with suppliers and clients. we could see a sharp increase in short-term liabilities, as the inability to meet obligations would lead to overdue payments and potentially increased debt levels. This could also cause a reduction in assets, as we may be forced to liquidate inventory or other assets to cover immediate needs. Furthermore, our cash flow statement would show negative operating cash flow, as payments are delayed or missed., we could result in lower revenues due to operational disruptions and potentially higher costs associated with emergency financing or penalties.

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

Our Promoter average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "Capital Structure" beginning on pages 88 of this Draft Prospectus.

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

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Companies & entities. These transactions, inter-alia includes salary, remuneration, loans and advances, commission, interest and purchase and sales etc. for details refer Annexure IX of the chapter titled "Financial Information" beginning on page no. 250. Our Company entered into such transactions at arm length price due to easy proximity and quick execution. Also, the transactions are in compliance with Companies Act, 2013 and other applicable provisions.

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

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

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy,

S. No	Insurance Company	Policy No.	Party Insured	Sum insured (in Rs.)	Premium Paid (in Rs.)	Details	Period
1.	ECGC LTD	0080004498	Single buyer Exposure policy	1,00,00,000.00	1,62,000.00	SBE and Commercial and Political Risks	From 20-11-24 To 19-11-25
2.	SBI General Insurance	0000000036627125-01	Marine Sales Turnover Policy	1,00,00,00,000.00	1,94,700.00	Mobile Phones and Mobile Accessories, LED and Smart TV, IOT products, Computers and Laptops	From 08-12-2024 to 07-12-2025
3.	SBI General Insurance	0000000028200255-03	Standard Fire & Special Perils	11,10,00,000.00	65,498.18	Stocks, Location, Stocks work-in-progress	From 01-05-2025 to 30-04-2026
4.	SBI General Insurance	0000000036627125-01	Marine Sales Turnover Insurance Policy	1,00,00,00,000.00	1,94,700.00	Mobile Phones and Mobile Accessories, LED and Smart TV, IOT products, Computers and Laptops	From 08-12-2024 to 07-12-2025
5.	SBI General Insurance	0000000039105325-01	Burglary Insurance Policy	11,10,00,000.00	9,503.00	Stocks, Stocks work-in-progress	From 01-05-2025 to 30-04-2026

we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows. In past three years no such instances occurred in the Company.

For further please refer chapter titled "Our Business" beginning on Page 151 of this Draft Prospectus.

41. Within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 108, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.

We intend to use Issue Proceeds towards Funding the Construction of a state-of-the-art office-cum-warehouse facility, Working Capital Requirements, General Corporate Purposes and to meet Issue expenses. We intend to deploy the Net Issue Proceeds in FY 2025-26 and 2026-27. Such deployment is based on

certain assumptions and strategy which our Company intends to implement in near future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 108.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled "Objects of the Issue" beginning on page 108, the Management of the Company will have significant flexibility in applying the proceeds received by our Company from the Issue.

Our Company proposes to deploy the entire Net Proceeds towards the Construction of a state-of-the-art office-cum-warehouse facility, Working Capital Requirements and General Corporate Purposes during FY 2025-26 and 2026-27. However, if the Net Proceeds are not completely utilized for the objects stated in Draft Prospectus due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) market conditions outside the control of our Company and its management; and (iv) other commercial considerations such as availability of alternate financial resources, the same would be utilised (in part or full) in a subsequent period as may be determined by our Company in accordance with applicable law. For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 108.

In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations.

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

Our Promoter, Managing Director, management team and skilled manpower have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our management team. Except with Managing Director, we don't have any written contract with our KMPs and our inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to execute contracts and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

For further details of our Promoters and Management, please refer chapter titled "Our Promoters and Promoter Group" and "Our Management" beginning on Page 208 & 195 of this Draft Prospectus.

43. Our Company is yet to place orders for Construction of a state-of-the-art office-cum-warehouse facility. Any delay in placing orders for Construction of a state-of-the-art office-cum-warehouse facility may delay the schedule of implementation and possibly increase the cost of commencing operations.

Our Company has received third party quotations for construction a state-of-the-art office-cum-warehouse facility at Sy.No.43/5A, Village: Edapilly South, Taluka: Kanayannoor, Dist. Ernakulam, Kochi, Kerala. Although, The Company has obtained quote towards the construction of State-of-the-art office-cum-warehouse facility project from Civil contractor to be used from the Net Proceeds, the cost of the proposed construction is based on the quotations received from third party vendors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, please refer to the chapter titled "Objects of the Issue" beginning on page 108 of this Draft Prospectus.

We cannot assure that we will be able to complete the construction of state-of-the-art office-cum-warehouse facility in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of Construction of the State-of-the-art office-cum-warehouse facility or in the event the engineers are not able to complete construction of State-of-the-art office-cum-warehouse facility in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the business operation. Further, if we are unable construction in timely manner and from same civil contractor, we cannot assure you that we may be able to identify alternative civil contractor for construction of state-of-the-art office-cum-warehouse facility which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

44. If there are changes in policies relating to tax, duties or other such levies applicable to us, it may affect our results of operations.

We benefit from certain general tax regulations and incentives that accord favourable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter "Statement of Possible Tax Benefits" on page 135 of this Prospectus.New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. In the case of interim dividend, we may not be able to pay such dividend without the consent of board of directors. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the

past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled "Dividend Policy" on page 218 of this Draft Prospectus.

46. We are subject to the risk of failure of or a material weakness in our internal control systems.

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations. In past three years no such instances occurred in the Company

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. In past three years no such instances occurred in the Company.

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

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled "Financial Information" beginning on Page 222 of this Draft Prospectus.

48. We have not independently verified certain data in this Draft Prospectus.

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

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

Our Company is mainly engaged in business of export and supply of smart phones, mobile accessories and other electronic products to small, medium, and large enterprises which attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer "Outstanding Litigations and Material Development" beginning on page 272 of this Draft Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

50. Certain Agreements, deeds or licenses may be in the previous name of the company.

Certain agreements, deeds, or licenses may be in the name of the erstwhile name of company "Kanone Technologies Private Limited". In case, we fail to change the name in the agreements, deeds or licenses it may cause an adverse effect on Our Company's business & operations although we do not foresee any challenge in doing so.

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

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

52. Our Company's board of directors will be utilizing the Net Proceeds from the Issue in the objects of the issue. The deployment of Net Proceeds from the Issue is not subject to any monitoring by any independent agency as in terms of Regulation 262 of the ICDR Regulations, the Company is not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 5,000.00 lakhs.

Our Company intends to use the Net Proceeds towards:

1. **Construction of a state-of-the-art office-cum-warehouse facility.**
2. **To meet Working Capital Requirement;**
3. **General Corporate Purposes.**

(Collectively referred as the "Objects")

as described in "Objects of the Issue" on page 108 of this Draft Prospectus.
In terms of the ICDR Regulations, our Company is not mandatorily required to appoint a monitoring agency since the Issue size is not in excess of ₹ 5,000.00 lakhs. The board of directors of our Company will have discretion to utilize the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's board of directors regarding the application of the Net Proceeds from the Issue.

The board of directors of our Company may have to revise their estimates from time to time and consequently its requirement may change. Accordingly, prospective investors in the Issue will need to rely upon the judgment of our board of directors with respect to the use of Net Proceeds. If we are unable to utilize the Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

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 Prospectus.

53. Our proposed warehouse and office facility is subject to several pending regulatory approvals, and any delay or failure in obtaining these approvals may adversely affect our project timelines and operations.

We are in the process of developing a warehouse and office facility, which is currently scheduled for completion by April 2027. As of the date of this Draft Prospectus, several approvals and permissions required for the construction and operation of the project, including building permits and other construction-phase clearances, are yet to be applied.

Our ability to complete the project on time is contingent upon obtaining all necessary and statutory approvals from relevant authorities in a timely manner. The company has acknowledged that delays in receiving these approvals could impact the project schedule. These include, but are not limited to, approvals from local municipal bodies, environmental clearances, fire safety compliance, and occupation/completion certificates. Any delay, rejection, or imposition of onerous conditions in connection with these approvals could result in increased project costs, deferral of the facility's operationalization, or in a worst-case scenario, suspension of construction activities. This may adversely impact our ability to commence operations as planned, which in turn could affect our revenue projections, operational efficiency, and overall financial performance.

54. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover

regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

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

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute **[●]** of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled **"**Objects of the Issue" beginning on Page No. 108 of this Draft Prospectus.

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

We propose to utilize the Net Proceeds for raising funds for construction of State-of-the-art office-cum-warehouse facility, working capital Requirement and General Corporate Purposes. For further details of the proposed objects of the Issue, please refer the chapter titled "Objects of the Issue" beginning on Page No. 108 of this Draft Prospectus. At this point of time, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

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

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

57. Our Promoter, Directors and Key Managerial Personnel hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoters, Directors and Key Managerial Personnel may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them

or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. Interests of Promoters, Promoter Group, Directors and Key Managerial Personnel may conflict with the interests of our Company, and they may, for business considerations or otherwise, cause us to take certain actions, or refrain from taking certain actions, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows. For further details, see 'Our Management, 'Summary of Offer Documents' and "Financial Information' on pages 195, 20, and 222, respectively.

EXTERNAL RISK FACTORS

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

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters
- prevailing regional or global economic conditions, including in India's principal export markets; and
- Other significant regulatory or economic developments in or affecting India or our industry.

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

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

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

60. Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors.

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

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

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "CCI"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

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

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. As regards the General Anti-Avoidance Rules ("GAAR"), The general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial

of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

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

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

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

We currently operate only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the Export industry of the Indian economy. There have been periods of slowdown in the economic growth of India. India's economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

The Ministry of Corporate Affairs ("MCA"), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 ("Ind AS") which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There

can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

66. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. For further details, please see "Key Regulations and Policies in India" on page 174.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

67. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market, including on account of certain European nations' debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

68. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavorable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and ecommerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

RISKS RELATING TO THE EQUITY SHARES AND THIS OFFER

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

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

70. You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.

The Equity Shares are proposed to be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading, including the crediting of the investor's demat accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing and trading of the Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. The Allotment of Equity Shares in the Offer and the credit of Equity Shares to the investor's demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. Our Company 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 prescribed time periods or at all which could restrict your ability to dispose of the Equity Shares.

71. Any further issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding.

Our Company may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of the Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that the Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

72. Sale of Equity Shares by our Promoters and Promoter Group in future may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoters and Promoter Group will own a significant percentage of our Company's issued Equity Shares. Sale of a large number of the Equity Shares by the Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance can be given that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

73. Investor will not be able to sell immediately on Indian Stock Exchanges 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 on stock exchange. 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 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 and SEBI ICDR Regulation, 2018 as the case may be, if the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

74. There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.

Following the listing of Equity Shares through the Offer, the Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading 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 the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares beyond the circuit breaker limit set by the Stock Exchanges. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

75. If security or industry analysts do not publish research, or publish unfavourable or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.

The trading market for the Equity Shares may depend, in part, on the research and reports that securities or industry analysts publish about us or our business. Our Company may be unable to sustain coverage by

established and / or prominent securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Equity Shares would be negatively impacted. In the event our Company obtains securities or industry analyst coverage, if one or more of the analysts downgrade the Equity Shares of our Company or publish inaccurate or unfavourable research about our business, the price of the Equity Shares may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on our Company regularly, the demand for the Equity Shares of our Company could decrease, which might cause the price and trading volume of the Equity Shares of our Company to decline.

76. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted**.**

77. Our Company's ability to raise foreign capital may be constrained by Indian law.

As an Indian company, our Company is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our Company's ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, our Company cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to our Company without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our Company's business growth, financial condition and results of operations**.**

78. Under Indian law, foreign investors are subject to investment restrictions that limit our Company's ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Our Company cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Our Company cannot assure

you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

79. There is no guarantee that the Equity Shares will be listed on stock exchange in a timely manner or at all, and any trading closures at stock exchange may adversely affect the trading price of our Equity Shares.

There is a risk that the Equity Shares may not be listed on the stock exchange in a timely manner or, in some cases, may not be listed at all. Delays or failures in listing could impact the liquidity and marketability of the shares, making it difficult for investors to trade them. Additionally, any trading closures or disruptions at the stock exchange, whether due to regulatory actions, technical failures, or market volatility, could adversely affect the trading price of the Equity Shares. Such events may lead to increased uncertainty and could result in financial losses for investors who are unable to buy or sell their shares as expected.

80. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their preemptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

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

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

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SECTION IV - INTRODUCTION TO THE ISSUE

THE ISSUE

Following table summarizes the present Issue in terms of this Draft Prospectus:

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company [(1)(2)]	Up to 40,68,000 Equity Shares of face value Rs.10/- each fully paid-up for cash at price of [●] per Equity Share aggregating to [●] lakhs. [(2)]
Of which:	
Reserved for Market Makers	Issue of [●] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of [●] per Equity Share aggregating to [●] Lakhs.
Net Issue to the Public	Issue of [●] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of [●] per Equity Share aggregating to [●] Lakhs.
Of which:	
Individual Investors Portion [(3)]	[●] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of [●] per Equity Share aggregating to [•] Lakhs, will be available for allocation to Individual Investors who applies for minimum application size
Non-Individual Investors Portion [(3)]	[●] Equity Shares having face value of ₹10 each at a price of ₹ [●]/- per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors who applies for more than minimum application size including corporate bodies or institutions, irrespective of the number of specified securities applied for
Pre-and Post-Issue Equity Shares:	
Equity Shares outstanding prior to the Issue	94,93,140 Equity Shares of face value Rs.10/- each
Equity Shares outstanding after the Issue	1,35,61,140 Equity Shares of face value Rs.10/- each
Use of Issue Proceeds	For further details please refer chapter titled "Objects of the Issue" beginning on page no **108** of this Draft Prospectus for information on use of Issue Proceeds

1) This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled "Issue Information" on page 298 of this Draft Prospectus.

2) The present Issue of 40,68,000 Equity Shares of face value of ₹ 10/- each in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors held on October 10, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extraordinary General Meeting of the members held on October 15, 2024.

3) The allocation is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

a) *Minimum fifty percent to individual investor who applies for minimum application size; and*

b) *Remaining to:*

   i. *Individual applicant who applies for more than minimum application size; and*

   ii. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

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

Explanation - For the purpose of sub-regulation (3), if the individual investor, who applies for minimum application size, is entitled to more than fifty per cent of the Issue size on a proportionate basis, the individual investors, who applies for minimum application size, shall be allocated that higher percentage.

For further details please refer to the chapter titled "Issue Structure" beginning on page 312 of this Draft Prospectus.

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KANONE

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary financial information of our Company derived from the Restated Financial Information as at Financial Years ended on March 31, 2025, 2024 and 2023. The Restated Financial Information referred to above is presented under the section titled "Financial Information" on page 222. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 222 and 258, respectively.

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KANONE

ANNEXURE - I

STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Annexure No.	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Equity & Liabilities				
1. Shareholders Fund				
a) Share Capital	I.1	949.31	209.10	100.00
b) Reserves and Surplus	I.2	731.86	1,043.50	374.26
Total Shareholder's Fund		**1,681.17**	**1,252.60**	**474.26**
2. Non-Current Liabilities				
a) Long Term Borrowings	I.3	518.16	311.86	-
b) Deferred Tax Liability (Net)	I.4	-	-	0.13
c) Other Long-Term Liabilities	I.5	1.40	0.09	0.05
d) Long Term Provisions	I.6	0.25	0.18	0.04
Total Non-Current Liabilities		**519.81**	**312.13**	**0.22**
3. Current Liabilities				
a) Short Term Borrowings	I.7	2,648.03	2,324.62	825.68
b) Trade Payables	I.8			
i.) total outstanding dues of micro enterprises and small enterprises		116.81	222.96	755.40
ii.) total outstanding dues other than micro and small enterprises		427.35	106.68	1,057.35
c) Other Current Liabilities	I.9	215.64	79.59	12.33
d) Short Term Provisions	I.10	140.91	208.95	91.13
Total Current Liabilities		**3,548.74**	**2,942.80**	**2,741.89**
Total Equity & Liability		**5,749.72**	**4,507.53**	**3,216.37**
4. Non-Current Assets				
a) Property, Plant and Equipment and Intangible Assets	I.11			
- Property, Plant and Equipment		392.50	3.84	2.72
- Intangible Assets		0.11	0.18	0.29
Total		**392.61**	**4.02**	**3.01**
b) Non- current Investment				
c) Deferred Tax Assets (Net)	I.4	0.20	0.28	-
d) Long Term Loans and Advances	I.12	14.91	-	-
e) Other Non - current Assets	I.13	6.67	1.30	1.30
Total Non-Current Assets		**414.39**	**5.60**	**4.31**
5. Current assets				
a) Current Investments				
b) Inventories	I.14	1,361.01	231.58	254.51
c) Trade Receivables	I.15	2,476.80	2,592.56	2,174.23

d) Cash and bank balances	I.16	258.41	246.51	44.37
e) Short Term Loans and advances	I.17	7.04	10.53	32.42
f) Other Current Assets	I.18	1,232.07	1,420.75	706.53
Total Current Assets		**5,335.33**	**4,501.93**	**3,212.06**
Total Assets		**5,749.72**	**4,507.53**	**3,216.37**

Note: The above statement should be read with the significant accounting policies and notes on financial statements appearing in annexure IV & V respectively.

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KANONE

ANNEXURE - II

STATEMENT OF PROFIT & LOSS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Annexure No.	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
I Revenue from Operations	II.1	27,790.46	42,871.68	25,287.34
II Other Income	II.2	324.84	431.40	419.43
III Total Income (I+II)		**28,115.30**	**43,303.08**	**25,706.77**
IV Expenditure				
(a) Purchases of stock- in- Trade	II.3	27,855.44	41,843.08	25,016.44
(b) Changes in inventories of stock- in- Trade	II.4	(1,129.43)	22.93	(254.51)
(c) Employee Benefit Expenses	II.5	22.77	12.52	26.69
(d) Finance costs	II.6	245.59	143.61	47.72
(e) Depreciation and amortization expenses	II.7	2.26	1.37	2.08
(f) Other Expenses	II.8	517.80	445.63	391.74
Total Expenses		**27,514.43**	**42,469.14**	**25,230.16**
V. Profit Before Exceptional and Extraordinary Items and Taxes (III-IV)		**600.87**	**833.94**	**476.61**
VI Exceptional items		-	-	-
VII Profit Before Extraordinary Items and Taxes (V-VI)		**600.87**	**833.94**	**476.61**
VIII Extraordinary Items		**-**	**-**	**-**
IX Profit Before Tax (VII-VIII)		**600.87**	**833.94**	**476.61**
X Tax Expenses	II.9			
Current tax		172.22	220.12	124.43
Deferred tax charge/ (benefit)		0.08	(0.41)	0.13
Total tax Expenses		**172.30**	**219.71**	**124.56**
XI Net Profit/(Loss) for the Year (IX-X)		**428.57**	**614.23**	**352.05**
Basic and Diluted Equity Per Share (not annualised for stub period)		**4.51**	**11.17**	**7.75**

Note: The above statement should be read with the significant accounting policies and notes on financial statements appearing in annexure IV & V respectively.

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KANONE

ANNEXURE - III

STATEMENT OF CASH FLOW, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

PARTICULARS	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax as per Profit & Loss A/c	600.87	833.94	476.61
Adjusted for :			
a. Depreciation	2.26	1.37	2.08
b. Provision for Gratuity	0.07	0.14	0.04
c. Interest Expenses & Finance Cost	245.59	143.61	47.72
d. Unrealised foreign currency (gain)/loss	(32.92)	(37.57)	(7.19)
e. Interest Income	(17.72)	(2.04)	(0.19)
Operating profit before working capital changes	**798.15**	**939.46**	**519.07**
Adjusted for :			
a. Decrease /(Increase) in Inventories	(1,129.42)	22.93	(254.51)
b. Decrease / (Increase) in Trade Receivable	148.65	(380.75)	(2,156.04)
c. Decrease / (Increase) in Other Non Current Assets	(5.38)	-	0.50
d. Decrease / (Increase) in Short Term Loans and Advances	3.48	21.89	6.71
e. Decrease / (Increase) in Other Current Assets	188.65	(712.51)	(396.43)
f. Increase / (Decrease) in Trade Payables	214.53	(1,483.12)	1,526.90
g. Increase / (Decrease) in Long Term Provisions	-	-	-
h. Increase / (Decrease) in Other current Liabilities	136.05	67.26	6.82
Cash generated from operations			
Net Income Tax (Paid)/Refund	(240.27)	(102.30)	(41.25)
Net Cash Generated/(Used) From Operating Activities (A)	**115.75**	**(1,627.11)**	**(788.18)**
B. CASH FLOW FROM INVESTING ACTIVITES			
a. (Purchase) Sale of Fixed Assets including capital advance	(405.76)	(2.37)	-
b. Interest & Other Income	17.79	0.33	2.10
Net Cash Generated/(Used) From Investing Activities (B)	**(387.97)**	**(2.04)**	**2.10**
C. CASH FLOW FROM FINANCING ACTIVITES			
a. Interest & Finance Cost	(245.59)	(143.61)	(47.72)
b. Proceeds from issues of equity shares	-	164.10	-
c. Proceeds of long-term borrowings	288.91	527.63	31.89
d. (Repayments) of long-term borrowings	(82.61)	(215.77)	(31.89)
e. (Repayments) / proceeds of short-term borrowings	323.41	1,498.94	825.68
Net Cash Generated/(Used) From Financing Activities (C)	**284.12**	**1,831.29**	**777.96**
Net Increase / (Decrease) in cash and cash equivalents	**11.90**	**202.14**	**(8.12)**
Cash and cash equivalents at the beginning of the year	246.51	44.37	52.49

Cash and cash equivalents at the end of the year	**258.41**	**246.51**	**44.37**
Component of Cash & Cash Equivalent			
Cash in hand	-	-	-
Balance With Bank	258.41	246.51	44.37
Total	**258.41**	**246.51**	**44.37**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.
2. The above statement should be read with the significant accounting policies and notes on financial statements appearing in Annexure IV & V respectively.

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GENERAL INFORMATION

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam having Corporate Identification Number U74999KL2021PTC071243. *Subsequently, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on March 14, 2024 and the name of our Company was changed from "Kanone Technologies Private Limited" to "Kanone Technologies Limited", pursuant to conversion from private to public company and a fresh certificate of incorporation dated June 28, 2024 issued by the Registrar of Companies, Ernakulam. The Corporate Identification Number of the Company is U74999KL2021PLC071243.*

Mr. Faizal Bavaraparambil Abdul Khader and Mrs. Sruthi Muhammed Ali were initial subscribers to the Memorandum of Association of our company

For further details please refer Chapter titled "Our History" beginning on Page 189 of this Draft prospectus.

REGISTERED OFFICE OF OUR COMPANY

KANONE TECHNOLOGIES LIMITED
(Formerly known as Kanone Technologies Private Limited)
B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala
P.O Ernakulam, Vennala, Ernakulam,
Ernakulam, Kerala, India, 682028
Tel: +91 7420010525
Website: www.kanone.in
Email Id: kanonetechnologies@gmail.com

Corporate Identity Number: U74999KL2021PLC071243
Registration Number: 071243

ADDRESS OF THE REGISTRAR OF COMPANIES

ROC Ernakulam
Corporate Bhawan, BMC Road, Thrikkakara, Kochi-682021, Kerala.
Email id: roc.ernakulam@mca.gov.in
Contact: 0484-2421626/2421310

BOARD OF DIRECTORS

S. No.	Name	Designation	Address	DIN
1.	Sruthi Muhammed Ali	Managing Director	Padanattu Puthen Purayil House, Thengode P.O., Edachira, Kakkanad S.O, Ernakulam, Kerala- 682030	09237016
2.	Faizal Bavaraparambil Abdul Khader	Non-Executive Director	Bavaraparambil House, Chakkaraparambu, Thammanam, Poonithura, Ernakulam, Kerala- 682032	07729191
3.	Anaz Abdul Khader Bavaraparambil	Executive Director	Bavaraparambil House, Chakkaraparambu, Thammanam, Poonithura Ernakulam, Kerala-682032	07752149
4.	Adarsh Punnakkattu Vinu	Independent Director	33/2372 D, Bethel House, A K G Vayanashalla Road, Thammanam, Ernakulam, Kerala -682032	07916481

S. No.	Name	Designation	Address	DIN
5.	Vivek Vilas Joshi	Independent Director	Vengaon Road Dahivali Karjat, P.O: Dist: Raigarh, Maharashtra – 410201	09182419

For further details of our directors, see "***Our Management***" on page 195 of this Draft Prospectus.

FILINGS

The Draft Prospectus is being filed with the SME Platform of BSE Limited ("BSE SME"). BSE Limited shall be the Designated Stock Exchange.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Deepak Malhotra
(Company Secretary and Compliance Officer)
Address:
Kanone Technologies Limited
B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala
P.O Ernakulam, Vennala, Ernakulam,
Ernakulam, Kerala, India, 682028
Tel: +91 7420010525
Website: www.kanone.in
Email Id: kanonetechnologies@gmail.com

CHIEF FINANCIAL OFFICER

Ambily George
(Chief Financial Officer "**CFO**")
Address:
Kanone Technologies Limited
B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala
P.O Ernakulam, Vennala, Ernakulam,
Ernakulam, Kerala, India, 682028
Tel:+91 7420010525
Website: www.kanone.in
Email Id: kanonetechnologies@gmail.com

INVESTOR GRIEVANCES

Our Compliance officer shall be responsible for monitoring the compliance of the securities laws and for redressal of investors' grievances. Investors can contact the Company Secretary and Compliance Officer, the Lead Manager 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, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

ALL ISSUE RELATED GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM MAY BE ADDRESSED TO THE REGISTRAR TO THE ISSUE, WITH A COPY TO THE RELEVANT DESIGNATED INTERMEDIARY WITH WHOM THE ASBA FORM WAS SUBMITTED. THE APPLICANT SHOULD GIVE FULL DETAILS SUCH AS NAME OF THE SOLE OR FIRST APPLICANT, ASBA FORM NUMBER, APPLICANT DP ID, CLIENT ID, UPI ID, PAN, DATE OF THE ASBA FORM, ADDRESS OF THE APPLICANT, NUMBER OF EQUITY SHARES APPLIED FOR AND THE NAME AND ADDRESS OF THE DESIGNATED INTERMEDIARY

WHERE THE ASBA FORM WAS SUBMITTED BY THE ASBA APPLICANT AND ASBA ACCOUNT NUMBER (FOR APPLICANTS OTHER THAN INDIVIDUAL INVESTORS USING THE UPI MECHANISM) IN WHICH THE AMOUNT EQUIVALENT TO THE APPLICATION AMOUNT WAS BLOCKED OR THE UPI ID IN CASE OF INDIVIDUAL INVESTOR USING THE UPI MECHANISM.

FURTHER, THE INVESTORS SHALL ALSO ENCLOSE THE ACKNOWLEDGEMENT SLIP FROM THE DESIGNATED INTERMEDIARIES IN ADDITION TO THE DOCUMENTS/ INFORMATION MENTIONED ABOVE. ALL GRIEVANCES RELATING TO APPLICATIONS SUBMITTED THROUGH REGISTERED BROKERS MAY BE ADDRESSED TO THE STOCK EXCHANGES WITH A COPY TO THE REGISTRAR TO THE ISSUE. THE REGISTRAR TO THE ISSUE SHALL OBTAIN THE REQUIRED INFORMATION FROM THE SCSBS FOR ADDRESSING ANY CLARIFICATIONS OR GRIEVANCES OF ASBA APPLICANTS.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicants whose application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms 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 SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, post Issue the Lead Manager is required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER

FAST TRACK FINSEC PRIVATE LIMITED
CIN: U65191DL2010PTC200381
SEBI Registration No. INM000012500
Registered Office: Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110001
Contact Person: Ms. Sakshi/ Mr. Aditya Singh
Email: kanoneipo@ftfinsec.com , investor@ftfinsec.com
Tel No.: +91-11-43029809
Website: www.ftfinsec.com

LEGAL ADVISOR TO THE ISSUE

CHAMBERS OF BANTH & THUKRAL, ADVOCATES & SOLICITORS

Contact Person: Aman Thukral
Address: 701, Prakashdeep Building, 7, Tolstoy Marg, New Delhi – 110001
Tel: +91 9891602513
Email- legal@cbtlawoffices.com
Enrolment No.: D/3041/2018

REGISTRAR TO THE ISSUE

Cameo Corporate Services Limited;
"Subramanian Building", #1,
Club House Road,
Chennai - 600 002, India;
Tel.: +91-44-40020700, 28460390;
Email Id: ipo@cameoindia.com;
Website: www.cameoindia.com**;**
Investors Grievance Id: investor@cameoindia.com ;
Contact Person: Ms. K. Sreepiya
SEBI Registration Number: INR000003753

BANKER TO OUR COMPANY

State Bank of India
SME Kakkanad Branch, Ground Floor,
Pocudyil Plaza, Opp. Juma Masjid,
Padamugal Junction, Ernakulam -682030
Contact person: Jiju Mohan M S
Tel.:+91- 8547923090
E-mail: sbi.63779@sbi.co.in
Website: https://bank.sbi

BANKER / SPONSOR BANK / REFUND BANK TO THE ISSUE

ICICI Bank Limited
Address: Capital Market Division, 5th Floor, HT Parekh Marg, Churchgate, Mumbai - 400020
Tele. No.: 022-68052182
Fax No.: 022-22611138
E-mail: Varun.badai@icicibank.com/ipocmg@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Varun Badai
SEBI Registration No.: INBI000000004

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REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on Registered Brokers, please refer http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

STATUTORY AUDITOR AND PEER REVIEW AUDITOR TO OUR COMPANY

M/s Kapish Jain & Associates Chartered Accountants
Address: B-504, Statesman House, 148,
Barakhamba Road, New Delhi- 110001
Tel No. 011-43708987
Email: vikas@cakja.com
Contact Person: CA Vikas Katyal
Membership No. 512562
Firm Registration No.: 022743N
Peer Review Certificate No. 017639

PEER REVIEWED AUDITOR TO OUR COMPANY

Is the Peer Review Auditor the same as Statutory Auditor: Yes

SYNDICATE MEMBER

[●]*

**** Syndicate Members (if any) shall be appointed prior to filing of the Prospectus with the RoC.***

MARKET MAKER TO THE ISSUE

[●]*

**** Market Maker shall be appointed prior to filing of the Prospectus with the RoC.***

DESIGNATED INTERMEDIARIES:

Self-Certified Syndicate Banks (SCSB'S)

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=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.

Investors shall ensure that when applying in IPO using UPI, the name of their 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.

SCSBS and Mobile Applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI *https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40* and 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' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

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 *http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35* and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the 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 Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at *https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10*, as updated from time to time.

Collecting Depository Participants (CDP'S)

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 websites of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as 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.

EXPERT OPINION

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

Our Company has received written consent dated December 12, 2024 from M/s. Kapish Jain & Associates,

Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and Peer Review Auditors, and in respect of their (i) examination report, dated September 24, 2025 on the Restated Financial Information ; and (ii) their statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as of the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since, Fast Track Finsec Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manager is not applicable.

MONITORING AGENCY

Since our Issue size does not exceed ₹ 5,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

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 Prospectus.

GREEN SHOE OPTION

No green shoe option is applicable for the Issue.

APPRAISING ENTITY

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

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.

CREDIT RATING

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

DEBENTURE TRUSTEES

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

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GRADING OF THE ISSUE

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

FILING OF OFFER DOCUMENT WITH THE DESIGNATED STOCK EXCHANGE/SEBI/ROC

The Draft Prospectus and Prospectus shall be filed on SME Platform of BSE Limited.
A copy of this Draft Prospectus has been filed through the BSE Limited portal at: https://listing.bseindia.com and will also be filed with BSE at the following address:

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through SEBI Intermediary Portal at https://siportal.sebi.gov.in through the Lead Manager immediately upon filing of the Issue Document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the Issue document.

Further, in terms of Regulation 246(4) of the SEBI ICDR Regulations the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, the Lead Manager and the SME Platform of BSE Limited. Moreover, in terms of Regulation 246 (5) of the SEBI ICDR Regulations, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

A copy of the Prospectus along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar **ROC Ernakulam** Corporate Bhawan, BMC Road, Thrikkakara, Kochi-682021, Kerala and through the electronic portal of the MCA at least three working days prior from the date of opening of the Issue Period.

TYPE OF ISSUE

The present Issue is considered to be 100% Fixed Price Issue.

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein 50% of the Net Issue is allocated for Individual Investors and the balance shall be offered to individual applicants other than Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-Individual Investor portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Individual Investors category is entitled to more than 50% on proportionate basis, the Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investor Portion where Allotment to each Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Individual Investor Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation

with the LM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for II Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.

ISSUE PROGRAMME

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

WITHDRAWAL OF THE ISSUE

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

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

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

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment.

STATEMENT OF RESPONSIBILITIES OF THE LEAD MANAGER

Fast Track Finsec Private Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

UNDERWRITER

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent (15%) of the issue size on their own account(s).

Our Company and the Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten. The underwriting agreement is dated March 21, 2025 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue. The Details of the Underwriting commitments are as under:

(Rs. in Lakhs)

Details of the Underwriter	No. of Shares Underwritten*	Amount Underwritten	% of the total Issue Size Underwritten
FAST TRACK FINSEC PRIVATE LIMITED **CIN:** U65191DL2010PTC200381 **SEBI Registration No**. INM000012500 **Registered Office:** Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110001 **Contact Person:** Ms. Sakshi **Email:** kanoneipo@ftfinsec.com , investor@ftfinsec.com **Tel No.:** +91-11-43029809 **Website:** www.ftfinsec.com	40,68,000	[●]	100%

**Includes 2,04,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI ICDR Regulations.*

In terms of Regulation 260(1) of the SEBI ICDR Regulations, the initial public offer shall be underwritten for hundred per cent (100%) of the Issue and shall not be restricted up to the minimum subscription level. As per Regulation 260(2) of SEBI ICDR Regulations, the 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 of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

CHANGES IN AUDITORS

Except as set out below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Prospectus.

SR. NO.	DETAILS OF AUDITOR		DATE OF CHANGE	REASON FOR CHANGE
	FROM	TO		
1.	**Name:** M/s J Krishnan & Co **Address:** 41/3976, 1st Floor, I.S. Press Building, Banerji Road, Cochin, Kerala, 682018	M/s Sumit Ranka & Associates	**Date of resignation:** 18th March, 2024 **Date of Appointment:** 27th March, 2024	Due to Pre - Occupation of J Krishnan & Co.

	Email ID: nishanth@jkaonline.in **Registration No:** 131505W			
2.	**Name:** M/s Sumit Ranka & Associates **Address:** 4132, Ease Zone Mall, Sundar Nagar,Malad West, Mumbai, Maharashtra 400064 **Email ID:** rankasumit@gmail.com **Registration No:** 147837W	M/s PSV Jain & Associates	**Date of resignation:** 01st December, 2024 **Date of Appointment:** 01st September, 2024	The change in auditor is due to the existing auditor's inability to devote sufficient time to the audit process in view of their other professional commitments.
3.	**Name:** M/s PSV Jain & Associates **Address:** Office No 105 shree Yashwant shopping centre Kasturba Road No 7 Borivali East Mumbai, Maharashtra. **Email Address:** dularesh.itax@gmail.com **Registration No.:** 131505W	M/s PSV Jain & Associates	**Date of Reappointment:** 30th September, 2024	Appointment in AGM For 5 Years
4.	M/s PSV Jain & Associates	**Name:** M/s Kapish Jain & Associates **Address:** 504, B-Wing, Statesman House, 148, Barakhamba Road, New Delhi, 110001 **Email ID:** ca.kapish@gmail.com **Registration No:** 022743N	**Date of resignation:** 01st December, 2024 **Date of Appointment:** 23rd December, 2024	The change in auditor was made as the Company is in the process of initiating an Initial Public Offering (IPO), and the Board of Directors considered it prudent to appoint an auditor with experience in peer review and IPO – related compliance to better support the Company's regulatory and disclosure

				requirements during the IPO process.

DETAILS OF MARKET MAKING ARRANGEMENT

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

Name	[●]
Address	[●]
Contact No	[●]
E-mail	[●]
Website	[●]
Contact Person	[●]
SEBI Registration No.	[●]

**** Market Maker shall be appointed prior to filing of the Prospectus with the RoC.***

[●] registered with SME platform of BSE, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI ICDR Regulations as amended from time to time.

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

In terms of Regulation 261(1) of SEBI ICDR Regulations, the market making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the Designated Stock Exchange and SEBI regarding this matter from time to time.

In terms of Regulation 261(2) of SEBI ICDR Regulations, the Market Maker or Issuer, in consultation with the Lead Manager may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the Designated Stock Exchange.

In terms of regulation 261(3) of SEBI ICDR Regulations, flowing is a summary of the key details pertaining to the Market Making arrangement:

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

- The Market Maker "[●]", shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the market maker spread requirements and other particulars as specified or as per the requirements of Designated Stock Exchange and SEBI from time to time.
- The minimum depth of the quote shall be ₹[●]. However, the investors with holdings of value less than ₹[●] shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, Designated Stock Exchange may intimate the same to SEBI after due verification.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on [●]

(in this case currently the minimum trading lot size is [●] Equity Shares; however, the same may be changed by the BSE from time to time).

- The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on the SME Platform of BSE and market maker will remain present as per the guidelines mentioned under the Designated Stock Exchange and SEBI circulars.
- The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SEBI.
- 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.
- In terms of regulation 261(6) of SEBI ICDR Regulations, Market Maker shall not buy the Equity Shares from the Promoters or persons belonging to Promoter Group of the Company or any person who has acquired equity shares from such Promoters or person belonging to Promoter Group, during the compulsory market making period.
- In terms of regulation 261(7) of SEBI ICDR Regulations, the Promoters' holding of the Company shall not be eligible for offering to the Market Maker during the compulsory market making period. However, the promoters' holding of our Company which is not locked-in as per the SEBI ICDR Regulations, can be traded with prior permission of the BSE, in the manner specified by SEBI from time to time.
- The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI ICDR Regulations.
- The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of our Company via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
- **Risk containment measures and monitoring for Market Maker:** The SME platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE SME may impose other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Maker:** The SME platform of BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines /suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- The Market Maker shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
- In case of termination of the above-mentioned market making agreement prior to the completion of the compulsory market making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI ICDR Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading

will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

- **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 securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in Rs.)	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

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.

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

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

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / BSE from time to time.

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.

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CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

No.	Particulars	Aggregate Nominal Value	Aggregate value at the Issue Price
A.	**AUTHORIZED SHARE CAPITAL**		
	1,50,00,000 Equity Shares of face value Rs. 10/- each	1500.00	[●]
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	94,93,140 Fully paid-up Equity Shares of face value Rs.10 each	949.314	[●]
C.	**PRESENT ISSUE IN TERMS OF DRAFT PROSPECTUS** (1)		
	Issue of up to 40,68,000 Equity Shares of face value Rs 10/- each, at premium of Rs. [●] per Equity Share	406.80	[●]
	Which comprises of		
D.	[●] Equity Shares of face value Rs. 10 each at a premium of Rs. [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E.	**Net Issue to Public of [●] Equity Shares of face value of Rs. 10 each at a premium of Rs. [●] per Equity Share to the Public**	[●]	[●]
	of Which		
	(i) At least [●] Equity Shares of face value of Rs. 10 each at a premium of Rs. [●] per Equity Share will be available for Allocation to Individual Investors	[●]	[●]
	(ii) At least [●] Equity Shares of face value of Rs. 10 each at a premium of Rs. [●] per Equity Share will be available for Allocation to Non-Individual Investors	[●]	[●]
F.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**		
	1,35,61,140 Equity Shares of face value Rs. 10/-each	1,356.11	[●]
G.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue (as on date of this Draft Prospectus)	NIL	
	After the Issue	[●]	

note

**For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "The Issue" on Page no. 66 of this Draft Prospectus*

***The Issue has been authorized pursuant to a resolution of our Board dated October 10, 2024 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on October 15, 2024.*

****the issuer company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus*

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

The issuer company is in compliance with The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus.

CLASS OF SHARES

Our Company has only one class of share capital i.e. Equity Shares of face value Rs. 10/- each only. All Equity Shares issued are fully paid-up.

Our Company has not issued any partly paid-up equity shares since its incorporation nor does it have any partly paid- up equity shares as on the date of the Draft Prospectus.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of Changes in Authorized Share Capital of our Company since incorporation:

1.1 Authorised Equity Share Capital

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

Particulars of Change		Date of Shareholders Meeting	AGM/EGM
From	To		
Rs. 1,00,000 consist of 10,000 Equity Shares face value Rs.10 Each		On Incorporation	
Rs. 1,00,000 consist of 10,000 Equity Shares of face value Rs.10 Each	Rs. 1,00,00,000 consist of 10,00,000 Equity Shares of face value Rs.10 Each	10th March, 2022	EGM
Rs.1,00,00,000 consist of 10,00,000 Equity Shares of face value Rs.10 Each	Rs.2,05,00,000 consist of 20,50,000 Equity Shares of face value Rs.10 Each	11th December, 2023	EGM
Rs.2,05,00,000 consist of 20,50,000 Equity Shares of face value Rs.10 Each	2,50,00,000 consist of 25,00,000 Equity Shares of face value Rs.10 Each	27th March, 2024	EGM

2,50,00,000 consist of 25,00,000 Equity Shares of face value Rs.10 Each	15,00,00,000 consist of 1,50,00,000 Equity Shares of face value Rs.10 Each	1st June, 2024	EGM

1.2 Authorized Redeemable Preference Share Capital

As on the date of this Draft Prospectus, our Company does not have any Authorised Redeemable Preference Share Capital.

2. NOTES TO THE CAPITAL STRUCTURE

A) Share Capital History of our Company:

2.1 Equity Share Capital

a) The following tables sets forth details of History of the Paid-up Equity Shares Capital of our Company:

S. No	Date of Allotment/ Fully Paid up	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price	Nature of Consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)
1.	On Incorporation	10,000	10	10	Cash Allotment	Subscription to MOA (1)	10,000	1,00,000
2.	31st March, 2022	9,90,000	10	NA	Cash	Right Issue (2) (Ratio: 99:1)	10,00,000	1,00,00,000
3.	18th January, 2024	10,41,000	10	NA	Cash	Right Issue (3) (Ratio: 1041:1000)	20,41,000	2,04,10,000
4.	28th March, 2024	50,000	10	120	Cash	Right Issue (4) (Ratio 50:2041)	20,91,000	2,09,10,000
5.	4th July, 2024	74,02,140	10	NA	Other than Cash	Bonus Issue (5) (Ratio 177:50)	94,93,140	9,49,31,400

Notes:

(1) Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each at the face value of Rs. 10/- fully paid up as per the details given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Faizal Bavaraparambil Abdul Khader	5,100
2.	Sruthi Muhammed Ali	4,900
	Total	**10,000**

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(2) The Company allotted 9,90,000 Equity Shares as right issue in the ratio of 99:1, 99 (Ninety-Nine) Equity Shares for every 1 (One) Equity Share of face value Rs.10/- each for cash on 31st March, 2022. as per the details given below:

S. No	Name of Person	No. of Shares Allotted
1.	Faizal Bavaraparambil Abdul Khader	8,44,900
2.	Sruthi Muhammed Ali	1,45,100
	Total	**9,90,000**

(3) The Company allotted 10,41,000 Equity Shares as Right Issue in the ratio of 1041:1000, 1041 (One Thousand and Forty-One) Equity Shares for every 1000 (One Thousand) Equity Share of face value Rs. 10/- each on 18th January, 2024 for Cash Consideration as per the details below:

S. No	Name of Person	No. of Shares Allotted
1.	Futurex Trading Co	1,71,000
2.	Nadeera K A	53,000
3.	Geo Infratech	1,75,000
4.	Kutub International Trading	1,75,000
5.	Horizon Trades	1,75,000
6.	Siraj BA	87,500
7.	Sidhique NI	87,500
8.	Navas BH	58,500
9.	Simitha Jamal	58, 500
	Total	**10,41,000**

(4) The Company allotted 50,000 Equity Shares as Right Issue in the ratio of 50:2041, 50 (Fifty) Equity Shares for every 2041 (Two Thousand and Forty-One) of Face Value Rs. 10/- each at a price of Rs. 120/- per Equity Share (including premium of Rs.110/- per equity share) on 28th March, 2024 for Cash Consideration as per the details below:

S. No	Name of Person	No. of Shares Allotted
1.	Faizal Bavaraparambil Abdul Khader	50,000
	Total	**50,000**

(5) The Company allotted 74,02,140 Equity Shares as Bonus Shares of face value Rs. 10/- each in the ratio of 177:50, 177 (One Hundred and Seventy-Seven) Equity Shares for every 50 (Fifty) Equity Share on 4th July, 2024, as per the details given below:

S. No	Name of Person	No. of Shares Allotted
1.	Faizal Bavaraparambil Abdul Khader	19,82,224
2.	Sruthi Muhammed Ali	17,38,141
3.	Manzoor Kidhwai	35
4.	Dheena Mohammed Sharafu	35
5.	Sayeeda Beevi Muhammad	35
6.	Muhammad Ali PI	35

7.	Laya Muhammed Ali	35
8.	Safa Systems and Technologies Limited	36,81,600
	Total	**74,02,140**

The aforementioned Bonus allotted has been made by capitalization of reserve & Surplus and securities premium of amount ₹ 685.22 lakhs and ₹ 55.00 lakhs respectively as per Annual Audited Financial Statements for the year ended on the 31st March, 2024. Our free reserves immediately before the bonus issue were ₹ 1210.85 Lakhs and securities premium was ₹ 55.00 lakhs and immediately after the bonus issue were ₹ 525.64 Lakhs and securities premium was Nil.

2.1 Our Company does not have any preference share capital as on the date of this Draft Prospectus.

3. As on the date of this Draft Prospectus, our Company have not issued equity shares for consideration other than cash other than as provided below:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason for Allotment	Person to Whom Equity Shares Allotted	
						Name of the Allottees	No. of Shares Allotted
4th July, 2024	74,02,140	10	NIL	Other than Cash	Bonus Issue of the Equity in the ratio of 177: 50	Faizal Bavaraparambil Abdul Khader	19,82,224
						Sruthi Muhammed Ali	17,38,141
						Manzoor Kidhwai	35
						Dheena Mohammed Sharafu	35
						Sayeeda Beevi Muhammad	35
						Muhammad Ali PI	35
						Laya Muhammed Ali	35
						Safa System and Technologies Limited	36,81,600
Total							**74,02,140**

4. As on the date of this Draft Prospectus, our Company has not revalued its assets since inception and has not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.

5. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under section 230-234 of the Companies Act, 2013.
6. We have not issued any shares pursuant to an Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees.
7. The Issuer has not made any issue of specified securities at a price lower than the issue price during the preceding One year.

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8. Our Shareholding Pattern

The table below represents the current shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015.

Category (I)	Category of Shareholder (II)	No. 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 No. of shares held (VII) = (IV)+ (V)+ (++VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	7	94,93,095	-	-	94,93,095	-	94,93,095	94,93,095		-	-	-	-	-	-	94,93,095
(B)	Public	1	45	-	-	45	-	45	45	-	-	-	-	-	-	-	45

(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		**08**	**94,93,140**	**-**	**-**	**94,93,140**	**100.00**	**94,93,140**	**94,93,140**	**100.00**	**-**	**-**	**-**	**-**	**-**	**-**	**94,93,140**

**As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.*

***Note**:*

- *In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Presently, all the existing equity shares of the Company are in dematerialized form.*
- *PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.*
- *Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of BSE SME before commencement of trading of such Equity Shares.*
- *The complete shareholding pattern shall be provided at the time of listing of the equity shares.*

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9. DETAILS OF SHAREHOLDING OF MAJOR SHAREHOLDERS

(A) List of Shareholders holding 1 % or more of the paid-up capital of the Company as on the date of Draft Prospectus.

S. No	Name of Shareholder	No. of Equity Shares*	% of Paid-up capital**
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78
2.	Sruthi Muhammed Ali	22,29,141	23.48
3.	Safa Systems and Technologies Limited	47,21,600	49.73
Total		**94,92,915**	**99.99**

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

** The % has been calculated based on existing (pre-issue) paid –up capital of the company

(B) List of Shareholders holding 1% or more of the paid-up capital of the Company ten days prior the date of Draft Prospectus.

S.no	Name of Shareholder	No. of Equity Shares*	% of Paid-up capital**
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78
2.	Sruthi Muhammed Ali	22,29,141	23.48
3.	Safa Systems and Technologies Limited	47,21,600	49.73
TOTAL		**94,92,915**	**99.99**

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

** The % has been calculated based on existing (pre-issue) paid –up capital of the company.

(C) List of Shareholders holder 1% or more of the paid-up capital of the Company 1 year prior the date of Draft Prospectus.

S.no	Name of Shareholder	No. of Equity Shares*	% of Paid-up capital**
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78
2.	Sruthi Muhammed Ali	22,29,141	23.48

3.	Safa Systems and Technologies Limited	47,21,600	49.73
TOTAL		**94,92,915**	**99.99**

*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.
** The % has been calculated based on existing (pre-issue) paid –up capital of the company.

(D) List of Shareholders holder 1% or more of the paid-up capital of the Company 2 Year prior to the date of filling of this Draft Prospectus:

S.no	Name of Shareholder	No. of Equity Shares*	% of Paid-up capital**
1.	Faizal Bavaraparambil Abdul Khader	5,10,000	51%
2.	Sruthi Muhammed Ali	4,90,000	49%
Total		**10,00,000**	**100**

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.
** The % has been calculated based on existing (pre-issue) paid –up capital of the company.

10. HISTORY OF THE EQUITY SHARE CAPITAL HELD BY THE PROMOTERS AND PROMOTER GROUP

S. No.	Name of the Shareholder	Pre-Issue		Post Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of post-Issue Capital
I	II	III	IV	V	VI
A. Promoters					
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78%	[●]	[●]
2.	Sruthi Muhammed Ali	22,29,141	23.48%	[●]	[●]
3.	Anaz Abdul Khader Bavaraparambil	45	Negligible	[●]	[●]
4.	Safa Systems and Technologies Limited	47,21,600	49.74%	[●]	[●]
Total(A)		**94,92,960**	**99.99**	[●]	[●]
B. Promoter Group					

5.	Manzoor Kidhwai	45	Negligible	[●]	[●]
6.	Muhamadali P I	45	Negligible	[●]	[●]
7.	Sayeeda Beevi Muhammad	45	Negligible	[●]	[●]
	Total(B)	135	Negligible	[●]	[●]
TOTAL(A+B)		**94,93,095**	**99.99**	[●]	[●]

11. Build-up of the shareholding of the Promoters in the Company

As on the date of this Draft Prospectus, Our Promoter Faizal Bavaraparambil Abdul Khader, Sruthi Muhammed Ali, Anaz Abdul Khader Bavaraparambil and Safa Systems and Technologies Limited collectively hold 94,92,960 equity shares of our company. None of the Equity shares held by our Promoter are subject to any pledge.

(A) Faizal Bavaraparambil Abdul Khader

Date of Allotment/ Transfer	No. of Equity Shares	Face Value per share	Issue/ Acquisition /Transfer price	Nature of Transaction	Pre-Issue Shareholding %	Post-Issue Shareholding %	No. of Shares Pledged	% of Shares Pledged
Subscription to MOA	5,100	10	10	Allotment	0.5	[●]	Nil	Nil
31-03-2022	8,44,900	10	NIL	Right Issue	8.9	[●]	Nil	Nil
31-03-2022	(3,40,000)	10	-	Gift to Sruthi Muhammed Ali	(3.58)	[●]	Nil	Nil
10-03-2024	(50)	10	10	Transfer	Negligible	[●]	Nil	Nil
28-03-2024	50,000	10	120	Right Issue	0.53	[●]	Nil	Nil
04-07-2024	19,82,224	10	NIL	Bonus issue	20.8	[●]	Nil	Nil
TOTAL	**25,42,174**	**-**	**-**	**-**	**26.78**	[●]	Nil	Nil

(B) Sruthi Muhammed Ali

Date of Allotment/ Transfer	No. of Equity Shares	Face Value per share	Issue/ Acquisition /Transfer price	Nature of Transaction	Pre-Issue Shareholding %	Post-Issue Shareholding %	No. of Shares Pledged	% of Shares Pledged
Subscription to MOA	4,900	10	10	Allotment	0.5	[●]	Nil	Nil
31-03-2022	1,45,100	10	10	Right Issue	1.53	[●]	Nil	Nil

31-03-2022	3,40,000	10	Nil	Gift	3.58	[●]	Nil	Nil
12-02-2024	1000	10	10	Transfer from Futurex	Negligible	[●]	Nil	Nil
04-07-2024	17,38,141	10	Nil	Bonus Issue	18.31	[●]	Nil	Nil
TOTAL	**22,29,141**	**-**	**-**	**-**	**26.76**	[●]	Nil	Nil

(C) Anaz Abdul Khader Bavaraparambil

Date of Allotment/ Transfer	No. of Equity Shares	Face Value per share	Issue/ Acquisition /Transfer price	Nature of Transaction	Pre-Issue Shareholding %	Post-Issue Shareholding %	No. of Shares Pledged	% of Shares Pledged
29-01-2025	45	10	10	Transfer from Laya Muhammed Ali	Negligible	[●]	NIL	NIL
Total	**45**	-	-	-	-	[●]	NIL	NIL

(D) Safa Systems & Technologies Limited

Date of Allotment/ Transfer	No. of Equity Shares	Face Value per share	Issue/ Acquisition /Transfer price	Nature of Transaction	Pre-Issue Shareholding %	Post-Issue Shareholding %	No. of Shares Pledged	% of Shares Pledged
20-03-2024	1,74,000	10	Nil	Transfer from Geo Infatech to Safa Systems & Technologies Limited	1.83 %	[●]	Nil	Nil
20-03-2024	86,000	10	Nil	Transfer from Siraj BA to Safa Systems & Technologies Limited	0.91%	[●]	Nil	Nil
20-03-2024	86,000	10	Nil	Transfer from Sidhique NI to Safa Systems & Technologies Limited	0.91%	[●]	Nil	Nil
20-03-2024	1,74,000	10	Nil	Transfer from	1.83%	[●]	Nil	Nil

				Horizon trades to Safa Systems & Technologies Limited				
20-03-2024	1,70,000	10	Nil	Transfer from Futurex Trading Co to Safa Systems & Technologies Limited	1.79%	[●]	Nil	Nil
20-03-2024	56,000	10	Nil	Transfer from Nadeera KA to Safa Systems & Technologies Limited	0.59%	[●]	Nil	Nil
20-03-2024	60,000	10	Nil	Transfer from Navas to Safa Systems & Technologies Limited	0.63%	[●]	Nil	Nil
20-03-2024	60,000	10	Nil	Transfer from Simitha Jamal to Safa Systems & Technologies Limited	0.63%	[●]	Nil	Nil
20-03-2024	1,74,000	10	Nil	Transfer from Kutub international Limited to Safa Systems & Technologies Limited	1.83%	[●]	Nil	Nil
04-07-2024	36,81,600	10	Nil	Bonus Issue	38.78%	[●]	Nil	Nil
Total	**47,21,600**	**-**	**-**	**-**	**49.74%**	[●]	**Nil**	**Nil**

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12. DETAILS OF TRANSFERS OF SHARES AS ON THE DATE OF THIS DRAFT PROSPECTUS ARE AS FOLLOWS

Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
31-03-2022	Faizal Bavaraparambil Abdul Khader	3,40,000	Sruthi Muhammed Ali
12-02-2024	Geo Infatech	1000	Nadeera
	Siraj BA	1500	Navas
	Sidhique NI	1500	Simitha
	Horizon trades	1000	Nadeera
	Futurex Trding Co	1000	Sruthi
	Kutub international Limited	1000	Nadeera
10-03-2024	Faizal Bavaraparambil Abdul Khader	10	Manzoor Kidhwai
	Faizal Bavaraparambil Abdul Khader	10	Dheena Mohammed Sharafu
	Faizal Bavaraparambil Abdul Khader	10	MuhamadAli P I
	Faizal Bavaraparambil Abdul Khader	10	Sayeeda Beevi Muhammad
	Faizal Bavaraparambil Abdul Khader	10	Laya Muhammed Ali
20-03-2024	Geo Infratech	174,000	Safa System and Technologies Limited
	Siraj B A	86,000	Safa System and Technologies Limited
	Siddik	86,000	Safa System and Technologies Limited
	Horizon Trades	174,000	Safa System and Technologies Limited
	Futurex Trading CO	170,000	Safa System and Technologies Limited
	Nadeera K A	56,000	Safa System and Technologies Limited
	Navas	60,000	Safa System and Technologies Limited
	Simitha Jamal	60,000	Safa System and Technologies Limited
	Kutub International Trading	174,000	Safa System and Technologies Limited
29-01-2025	Laya Muhammed Ali	45	Anaz Abdul Khadar

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13. 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 the Draft Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, 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.

14. DETAILS OF PROMOTER'S CONTRIBUTION AND LOCK-IN

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 Prospectus, our Promoters 94,92,960 Equity Shares constituting 70.00% 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 94,92,960 Equity Shares held by them and subscribed and held by them as part of Promoter's Contribution constituting 70.00% 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/ acquisition of the Equity Shares	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	Percentage of post. Offer paid-Up capital (%) *	Lock in Period
Faizal Bavaraparambil Abdul Khader						
On Incorporation	Subscription to MOA	5,100	10	10	[●]	3 Years
31-03-2022	Right Issue	7,21,246	10	10	[●]	3 Years
Total		**7,26,346**			**[●]**	**3 Years**
Sruthi Muhammed Ali						
On Incorporation	Subscription to MOA	4,900	10	10	[●]	3 Years
31-03-2022	Right	1,45,100	10	10	[●]	3 Years
31-03-2022	Gift	3,40,000	10	Nil	[●]	3 Years
12-02-2024	Transfer	1,000	10	10	[●]	3 Years
04-07-2024	Bonus	1,45,887	10	Nil	[●]	3 Years
Total		**6,36,887**			[●]	3 Years

Safa Systems and Technologies Limited						
20-03-2024	Transfer	10,40,000	10	Nil	[●]	3Years
04-07-2024	Bonus Issue	3,09,006	10	Nil	[●]	3Years
Total		**13,49,006**			**[●]**	**3Years**

*Assuming full subscription to the Issue.

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as '**Promoters'** under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years form the allotment of Equity Shares in this Issue. Equity Shares offered by the Promoter for the minimum Promoter's contribution are not subject to pledge.

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and SEBI (ICDR) (Amendment) Regulations, 2025, in addition to the Minimum Promoters contribution which is locked in for three years held by the promoters, as specified above, shall be locked in as follows;

(a) fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and

(b) remaining fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

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

(d) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer.

(f) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

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.

Details of Locked-in for One Year for person other than promoters

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity share capital held by persons other than promoter constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoters or any person of the promoter group or a new promoters or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Eligibility of Share for "Minimum Promoter's Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. **Hence Eligible**
237(1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**

Reg. No.	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
237(1) (c)	Specified securities allotted to promoter during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
237(1) (d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**

15. Our Company has not made any Initial Public offer of specified securities in the preceding two years from the date of filling of Draft Prospectus.

16. Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

17. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of the Draft Prospectus with the Stock Exchange.

18. Neither, we nor our Promoters, Directors and the LM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.

19. As on the date of this Draft Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid- up Equity shares.

20. As on the date of this Draft Prospectus, none of the shareholders as on the date of this offer document are directly or indirectly related to the Lead Manager or their associates as defined under SEBI Merchant Bankers Regulations.

21. As on the date of this Draft Prospectus, the 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 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.

22. As on date of the Draft Prospectus, the Lead Managers to the Issue, namely Fast Track Finsec Private Limited is not related to the public shareholders of the Company in any way directly or indirectly including any related party transactions, etc. and/or are connected with the Company in any manner directly or indirectly other than in the capacity as the Lead Manager.

23. As on date of the Draft Prospectus, the Promoters, members of the Promoter Group and the Directors, or any of their relatives have not purchased or sold any securities of the Company during the period of six months immediately preceding the date of the offer document.

24. As on the Date of this Draft Prospectus, we confirm that there are there no partly paid-up equity shares as on the date of this offer document. Further, the equity shares to be issued or transferred pursuant to the offer shall be fully paid-up at the time of allotment.

25. As on the Date of this Draft Prospectus, we confirm that there will not be any further issuance of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this offer document until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded or unblocked on account of non-listing, under-subscription etc., as the case may be.

26. As on the Date of this Draft Prospectus, we confirm that As that except for the Equity Shares to be allotted pursuant to the fresh Issue there is no proposal or intention, negotiations or consideration by the Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

27. As on the date of this Draft Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan 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.

28. As on the date of this Draft Prospectus, we have 8 shareholders in our Company.

29. As on the date of filing of this Draft 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.

30. Our Company has not raised any bridge loan against the proceeds of the Issue.

31. As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.

32. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of

the Draft Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.

33. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

34. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

35. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

36. There are no Equity Shares against which depository receipts have been issued.

37. Other than the Equity Shares, there is no other class of securities issued by our Company.

38. There are no safety net arrangements for this public issue.

39. As per RBI regulations, OCBs are not allowed to participate in this issue.

40. Our Promoters and Promoter Group will not participate in this Issue.

41. This Issue is being made through Fixed Price Method.

42. Our Company has not made any public issue of any kind or class of securities since its incorporation.

43. 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.

44. 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.

45. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

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OBJECTS OF THE ISSUE

The offer comprises a fresh issue of Equity Shares by our Company:

Particular	Equity Shares Offered	Aggregated Amount (Rs Lakhs)
Fresh Issue	40,68,000	[●]
Offer for Sale	Nil	Nil
Total	**40,68,000**	[●]

FRESH ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME Platform of BSE Limited.

Sr. No.	Fund Raise Objective	Description	Amount (Rs Lakhs)
1.	**Capital Expenditure**	Construction of a state-of-the-art office-cum-warehouse facility.	749.73
2.	**Working Capital**	To meet day-to-day operating requirements, including procurement of inventory, vendor payments, and other short-term funding needs.	906.96
	Sub Total		[●]
3.	**General Corporate Purpose**	Business growth, marketing, technology upgrades, administrative needs.	[●]*
4.	**Issue Expense**	This covers all costs directly related to the public issue, including regulatory filings, lead manager and legal fees, advertising, printing, and other compliance or listing expenses.	[●]

**The amount for general corporate purposes shall not exceed fifteen per cent of the amount being raised or Rs 10 crores, whichever is less*

the main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enables the issuer to –

i *undertake our existing business activities; and*
ii *to undertake activities proposed to be funded from the Net Proceeds.*

NET PROCEEDS

The details of the Net Proceeds are set forth below:

Particulars	Amount (Rs. in Lakhs)
Gross Proceeds of the Issue[$]	[●]
Less: Issue related expenses in relation to Issue*	[●]
Net Proceeds	[●]

$ Subject to full subscription of the Issue.

**Note: Kapish Jain & Associates, Chartered Accountants (Peer reviewed Statutory Auditor of the Company) vide certificate dated September 24, 2025 has certified that the Company has incurred expenses of 24.50 lakhs towards "Issue Expenses" as on September 24, 2025 from its internal accruals.*

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

(Amount in Lakhs)

Particulars	Amount to be funded from the Net Proceeds	Estimated Deployment of Net Proceeds		
		FY 2025-26	FY 2026-27	FY 2027-28
Capital Expenditure	749.73	749.73	NIL	NIL
Working Capital	906.96	500.00	406.96	NIL
General Corporate Purpose	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]

PROJECT APPRAISAL

The Company has proposed to construct a state-of-the-art office-cum-warehouse facility at Sy.No.43/5A, Village: Edapilly South, Taluka: Kanayannoor, Dist. Ernakulam, Kochi, Kerala which was appraised by ***Dun & Bradstreet Information Services India Pvt. Ltd. (D&B),*** *following is details:*

Particulars	Description
Appraising Entity	Dun & Bradstreet Information Services India Pvt. Ltd
Date of Appraisal	March 18, 2025
Scope & Purpose of Appraisal	Capex Analysis, Assessment of land cost, Assessment of building and civil cost, Assessment of utilities and miscellaneous fixed assets and Assessment of reasonableness of the project cost.
Cost of Finance as per Appraisal	INR 1,121.00 Lakhs
Means of Finance as per Appraisal	The total cost of the project is divided in parts Land Cost i.e. INR 371.00 Lakhs and Building & Civil Works and MEP Cost i.e. INR 750.00 Lakhs, the cost of the land has been utilized by the company from its internal accruals and Building & Civil Works and MEP Cost shall be from the proceeds of the issue.
Weaknesses & Threats as per the appraisal report	NA
Disclaimer clause of the appraisal report	NA
Is there any revision in the project cost and means of finance post the Appraisal Report	NA
Explanation for the revision in project cost and means of finance	NA

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DETAILS OF UTILIZATION OF NET PROCEEDS

1. **Construction of a state-of-the-art office-cum-warehouse facility –**

The Company has proposed to construct a state-of-the-art office-cum-warehouse facility at Sy.No.43/5A, Village: Edapilly South, Taluka: Kanayannoor, Dist. Ernakulam, Kochi, Kerala.

Currently, the Company takes the warehouse on lease to store the products. ***To reduce the dependency on third-party warehouse, the Company has proposed to construct a state-of-the-art office-cum-warehouse facility*** at Sy.No.43/5A, Village: Edapilly South, Taluka: Kanayannoor, Dist. Ernakulam, Kochi, Kerala. The proposed setup will be comprising of basement floor, ground floor, 1st, 2nd & 3rd floors.

The break-up of the project cost of **INR 1,121.00 Lakhs** for the proposed project has been provided below:

(Amount in lakhs)

Particulars	Total Estimated Cost	Cost already incurred	Balance cost to be incurred	Proceeds from the issue
Land Cost	371.00	371.00	NIL	NIL
Building & Civil Works and MEP Cost	750.00*	NIL	750.00*	750.00
Total Project Cost	**1,121.00**			

**Approximate*

Land Cost

The Company has acquired 7879.25 Sq. Ft of land at Sy.No.43/5A, Village: Edapilly South, Taluka: Kanayannoor, Dist. Ernakulam, Kochi, Kerala as per the copy of sale deed shared with D&B-India. The total cost of land acquisition is considered at INR 371.00 Lakhs which is considered as part of project cost. Consideration includes the sale consideration and stamp duty chargers both.

Quotation:

The Company has obtained quote towards the construction of warehouse project from Civil contractor **M/s AARVY ENGINEERING**, 12/309A, Cheerakattupara, Maneed P.O. Ernakulam -686 664 vide Ref.No. AARVY/KANON/0026/2024-25 dated August 16, 2025 for INR 726.85 Lakhs.

Following is the summary of the quotation received from AARVY ENGINEERING, Ernakulam.

Works	Vendor	Quote Ref. No	Cost (Amt in Lakhs)	Amount (in Lakh)
Civil works,	M/s AARVY ENGG	AA/OTR/1217/09/2024 dated 16.08.2025	532.03	726.85
Electricals,			64.35	
Water supply & Sanitation			12.87	
Lift			22.30	
Fire fighting			95.29	

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Other Amenities:

In addition to the Civil works, Electrification, Lift, Fire protection systems, Water supply and sanitation works, other infra works such as providing DG set for power back up, Air conditioning of working spaces for which the Company has obtained quotations and the details of the same is as below:

Sl. No	Works	Vendor	Quote Ref. No.	Amount (INR in Lakhs)
	Other Amenities: -			
1.	DG SET- 100 KVA	M/s Gentech Power Systems, Cochin	GPS/24-25/QTN-9517 dated 7.3.2025	10.55
2.	Air- Conditioning- 2 TR X 20	M/s ABM Cooling Solutions India Pvt ltd., Cochin	ABM/VAS/03/120V/2025-AB dated 7.3.2025	12.33
	Total			**22.88**

The total cost is bifurcated into Civil works and MEP works as below:

Sl. No	DESCRIPTION	ESTIMATED COST (INR in Lakhs)	ESTIMATED COST (INR in Lakhs)	RATE/Sq. Ft (INR)
	Civil works:			
1	Building- Civil Works	532.03	609.25	2,199
2	Electrification	64.35		
3	Water Supply& Sanitation	12.87		
	Other Amenities:			
1	Lift- Otis-12 Pax, 3 Stops	22.30	140.48	507
2	Fire Protection System	95.29		
3	HV AC- 2 Tr X 20 Nos	12.33		
4	DG Set- 100 KVA	10.55		
	TOTAL COST	**749.73**	**749.73**	**2,706**

Implementation schedule:

Sl. No	Works /Activities	Start	Finish	Status
1.	Building Plan	Completed		Completed
2.	Building Plan Approval	Yet to apply	90 days	Yet to be applied
3.	Excavation & up to Basement floor roof slab	Yet to apply	90 days	Yet to be applied
4.	Ground floor roof Slab	Yet to apply	45 days	Yet to be applied

5.	First Floor Roof slab	Yet to apply	45 days	Yet to be applied
6.	Second Floor roof slab	Yet to apply	45 days	Yet to be applied
7.	Third Floor Roof slab	Yet to apply	45 days	Yet to be applied
8.	Brickwork/ plastering, Electrical, plumbing	Yet to apply	90 days	Yet to be applied
9.	Finishing works	Yet to apply	30 days	Yet to be applied
10.	Installation of DG, AC, Lift & Fire protection systems	Yet to apply	75 days	Yet to be applied
	Completion – COD		**1st Apr 2027**	

*Source: KTL & D&B- India Estimates

Note:

As indicated in the implementation schedule, the Company has acquired the land for the project. The Company has not initiated any work at the proposed site and the land is currently laying barren. Considering the pending activities and kind of monsoon in Kerala, it is estimated that the proposed office cum warehouse will be operational from 1st April 2027, provided the Company will obtain all necessary / statutory approvals and permissions in time.

The fund requirement and deployment indicated above are based on management estimates, current circumstances of our business, valid quotations received from third parties, other commercial and technical factors, prevailing market conditions, which are subject to change. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any external agency or any other independent agency. However, our company has obtained Project Cost Vetting Report dated March 18, 2025, prepared by Dun & Bradstreet Information Services India Pvt. Ltd. (D&B), a recognized independent Agency. We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013. See "Risk Factors" on page 31.

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

2. <u>To meet the Working Capital Requirement</u>

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and loans. The details of Company's working capital Requirement as at March 31, 2026 and for the year ended March 31, 2027 and the source of funding, on the basis of Restated Financial

Statements, as certified by our Statutory and Peer Review Auditor, M/s Kapish Jain & Associates, Chartered Accountants, vide their certificate dated September 24, 2025 UDIN: 25512562BMIGNR4673 are provided in the table below. Further, in light of the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in the Fiscal 2027 and Fiscal 2026. On the basis of our existing working capital requirements and the projected working capital requirements, the breakup of such working capital requirements year wise is given in the table below:

(Rs. In Lakhs)

	31 March 2025	31 March 2024	31 March 2023
	(Restated)	(Restated)	(Restated)
Current Assets			
Inventories (Stock in Trade)	1,361.01	231.58	254.51
Trade Receivables	2,476.80	2,592.56	2,174.23
Cash and Bank Balances	258.41	246.51	44.37
Short-Term Loans and Advances	7.04	10.53	32.42
Other Current Assets	1,232.07	1,420.75	706.53
Total (A)	**5,335.33**	**4,501.93**	**3,212.06**
Current Liabilities			
(a) Trade Payables	544.16	329.63	1,812.75
(b) Other Current Liabilities	215.64	79.59	12.33
(c) Short-Term Provisions	140.91	208.95	91.13
Total (B)	**900.71**	**618.17**	**1,916.21**
Net Working Capital (A)-(B)	**4,434.62**	**3,883.76**	**1,295.85**
Sources of Working Capital			
Short-Term Borrowings*	2,584.47	2,261.06	825.68
Internal Accruals	1,850.15	1,622.70	470.17
Total Funding	**4,434.62**	**3,883.76**	**1,295.85**

Assessment of Future Working Capital for the FY 2025-26 and FY 2026-27.

(Rs. In Lakhs)

	31 March 2026	31 March 2027
	(Estimated)	(Estimated)
Current Assets		
Inventories (Stock in Trade)	1,766.57	2,382.19
Trade Receivables	2,734.75	2,856.30
Cash and Bank Balances	325.50	284.65
Short-Term Loans and Advances	7.75	8.52
Other Current Assets	1,355.28	1,490.80
Total (A)	**6,189.85**	**7,022.46**
Current Liabilities		
(a) Trade Payables	388.45	495.65
(b) Other Current Liabilities	231.69	260.92
(c) Short-Term Provisions	154.79	171.60
Total (B)	**774.93**	**928.17**

Net Working Capital (A)-(B)	**5,414.92**	**6,094.29**
Sources of Working Capital		
Short-Term Borrowings*	2,350.00	2,350.00
Proceeds from IPO	500.00	406.96
Internal Accruals	2,564.92	3,337.33
Total Funding	**5,414.92**	**6,094.29**

**Short-term borrowings represent funds availed solely for working-capital requirements. They do not include the current maturities of long-term borrowings. Accordingly, the figures may differ from those reported in the restated financial statements.*

Key Assumptions for Working Capital

Details of Working Capital Days

Particulars	31 March 2023 (Restated)	31 March 2024 (Restated)	31 March 2025 (Restated)	31 March 2026 (Estimated)	31 March 2027 (Estimated)
No. of Days for Inventory Days	2	2	11	19	23
No. of Days for Trade Receivables	16	20	33	31	30
No. of Days for Trade Payables	15	9	6	6	5
Working Capital Cycle	3	13	38	44	48

Details of Estimation of Working Capital requirement are as follows:

Particulars	31 March 2023 (Restated)	31 March 2024 (Restated)	31 March 2025 (Restated)	31 March 2026 (Estimated)	31 March 2027 (Estimated)
No. of Days for Short term loan and advances	1	0	0	0	0
No. of Days for Other Current assets	8	9	18	16	16
No. of Days for Other current liabilities	0	0	2	3	3
No. of Days for provisions	1	1	2	2	2
% of Inventory / Revenue from operations	1%	1%	5%	[●]	[●]
% of Trade receivables / Revenue from operations	9%	6%	9%	[●]	[●]
% of Trade payable / Revenue from operations	7%	1%	2%	[●]	[●]

Note:

- 365 days has been considered in a year
- Holding period level (in days) of Trade Receivables is calculated by dividing average trade receivables by revenue from operations multiplied by number of days in a year.
- Holding period level (in days) of Trade payables is calculated by dividing average trade payables by net credit purchases multiplied by number of days in a year.
- Holding period level (in days) of Inventory is calculated by dividing average inventory by cost of goods sold multiplied by number of days in a year.

- Holding period level (in days) of Short-Term Loans and Advances is calculated by dividing average short-term loans and advances by cost of goods sold multiplied by number of days in a year.
- Holding period level (in days) of Other Current Assets is calculated by dividing average other current assets by cost of goods sold multiplied by number of days in a year.
- Holding period level (in days) of other current liabilities is calculated by dividing average other current liabilities by cost of goods sold multiplied by number of days in a year.
- Holding period level (in days) of Provisions is calculated by dividing average provisions from operations multiplied by number of days in a year.
- Working Capital Cycle (in days) is holding period of receivables plus holding period of inventory less holding period of payables.

Reason for substantial increase of working capital requirement for 2023, 2024 and 2025 are mentioned below: -

Kanone is a wholesale supplier, offering a diverse range of mobile phones and accessories at competitive prices.

Expanding our reach, Kanone has ventured into exports with a vision to bring a wide array of consumer electronics to a global audience. Our portfolio includes smartphones, accessories, consumer durables, computers, printers, and laptops. With a mission to expand operations, Kanone has expanded from the initial market Dubai to other countries like Iraq and Russia and now have started selling on ecommerce platforms too.

The diversification is allowing Kanone to reach a wider customer base and reduce dependency on a single market and also helps in leveraging its existing strengths in these markets. The move to eCommerce further enhances accessibility, helps tide over the limitations of retail and this diversification not only increases revenue streams and profitability but also builds resilience against market fluctuations.

The turnover has grown from ₹252 crore to ₹429 crore in just two years. Such a huge business scale up required higher working capital to support inventory, receivables, and operational costs. We provide customers with credit for 20 - 30 days but do not receive credit from suppliers since our procurement is on cash and carry basis mostly for pricing advantage. Hence there is a significant portion of the capital is tied up in accounts receivable but bulk purchases need higher upfront cash requirement. Also, since our major share of business has been exports, the GST element of the sales is received as refund from Government, which takes an around 45-60 days.

There is exception in FY 2025 where turnover decreased but working capital increased, primarily due to the following reasons:

- **Increase in the number of inventories by 9 days.**
  In FY 2024–25, the inventory holding period increased by 9 days to address potential shortage arising from the high demand for new models. Additionally, e-commerce operations required a higher inventory buffer of 25–30 days. This extended the working capital cycle and consequently increased the overall working capital requirement.

- **Increase in the days of trade receivable by 13 days**
  In FY-24-25 the company have to offer more credit to his costumers due to competition from other exporters which result in the increase in the date of trade receivable has a result more working capital was required

- **Decrease in the days for trade payables by 3 days**

  In order to get the price advantage in procurement company has prepaid the payment to the supplies resulting in the increase requirement of working capital

- **Increase in the working capital cycle from 13 to 30 days**

  In FY 2024–25, the working capital cycle increased by 25 days, resulting in slower rotation of funds and thereby triggering higher working capital requirements.

Inflation, currency fluctuations and international payment processing delays have impacted working capital needs in the interim.

The combination of rapid revenue growth, customer credit terms, no supplier credit, high-value inventory, and export-related financial requirements has significantly increased the need for working capital. Managing this effectively requires optimizing credit terms, negotiating supplier arrangements, and considering trade finance solutions.

Assumptions taken for increase in net working capital from FY 2025-26 to FY 2026-27

1. Increase in Inventory

The higher Sales Volume due to growth in both export and domestic sales requires maintaining a higher level of inventory to meet demand efficiently. The holding period has increased to mitigate supply chain disruptions and to ensure timely order fulfilment we maintain buffer higher stock levels anticipating price fluctuations. This also helps to optimize procurement costs and avoid price volatility.

2. Increase in Trade Receivables

The sizeable growth in naturally led to higher receivables. To remain competitive in both domestic and export markets, the company increased credit periods to customers. The exports in any ways made the payment cycle longer to 20-35 days.

3. Decrease in Trade Payables cycle:

Our procurement is on cash and carry basis mostly for pricing advantage, better terms or discounts and helped in meeting odd customer requirements even when there was scarcity in market. This affects liquidity and also increases reliability on internal funds or external financing instead

The increase in Net Working Capital is a result of business expansion, higher sales expectations, and necessary adjustments in working capital components to support growth. While inventory increase ensures operational efficiency and timely fulfilment, the rise in trade receivables reflects sales growth and competitive credit strategies.

Justifications:	
Inventory	Inventory refers to mobiles, vaccums, accessories and other electronic products being exported, traded locally and on ecommerce platform. The products are procured basis market demand and export orders and usually take 2-5 days for procurement basis the exact model wise colour split as per customer requirement. Kanone has started on ecommerce platform and we have to cater to diverse customer preferences which makes it difficult to make precise demand forecasting and hence we have to keep high inventory which lengthens the time each product sits in storage. In FY 2022-23 and FY 2023-24, inventory levels remained low at ₹254.51 lakhs and ₹231.58 lakhs, respectively. However, in FY 2024-25, inventory

	surged to ₹1,361.01 lakhs due to diversification of operations and bulk purchases, undertaken to ensure customer requirements are met. This explains the increase in inventory days from 2 in FY 2023-24 to 11 in FY 2024-25, and further projected rise to 19 and 23 days in FY 2025-26 and FY 2026-27 respectively. The operations have been diversified in the year 2024-25, e-commerce operations required a higher inventory buffer of 25–30 days resulted in an increased inventory holding.
Trade Receivables	Trade receivables consist of debts owed by overseas debtors. Company's trade receivables are in line with the normal 20 - 30 days credit period makes average a sizeable portion of monthly sales reflect as trade receivables. Owing to the volatile global political scenario, we have had to increase the credit period owing to the longstanding relationship with our existing customers when they have requested. Receivable days increased from 16 days in FY 2022-23 to 33 days in FY 2024-25 and are projected to stabilize at 30–31 days in FY 2025-26 and FY 2026-27. We anticipate continued growth in trade receivables in FY 2025-26 and 2026-27 due to several factors: 1. With the expansion of operations to wider global market and also with increase in domestic sales, credit sales will increase, leading to higher trade receivables. Extended credit terms for new export markets, new customer and territories will increase trade receivables. 2. Owing to the volatile geo political scenario, we had to increase the credit period. We have been dealing with these customers since inception and hence we had to accept the request for delayed collections. 3. The eCommerce platforms hold funds before releasing them to sellers. The Payout cycles can range 30 to 35 days, depending on platform policies and seller account status. With the anticipated growth in the eCommerce business, there will be exponential growth in revenue and hence receivables will grow proportionately. Even with prompt payments, a surge in order volume leads to higher outstanding receivables at any given time.
Trade Payables	Trade payables refer to the amounts a company owes to its suppliers for goods or services received on credit. In the financial year 2022–23, the Company had higher trade payables due to significant fund of Rs. 6.10 crore being stuck in GST refunds. Subsequently, the Company began making timely payments to suppliers to secure better terms and discounts. Since most of the Company's procurement is on a cash-and-carry basis, trade payable days remain on the lower side. Given the expansion plan, the Company anticipates shorter payment cycles for new suppliers and bulk inventory purchases.

Short term borrowings	Short-term borrowings comprising Working capital loan (CC, EPC, Export bill discounting and OD limit), from Banks to finance its working capital requirements. The short-term borrowing being at the reduced interest rate from banks, we rely on the same for the anticipated expansion plans.
Short term provisions	Short term provisions primarily include provision for Gratuity and provision for taxation. Short term provisions have been maintained in line with the increase of projected business income/expenses for the forthcoming years.
Other Current Assets	Other current assets include, export incentive receivable, GST refund on export sales, interest accrued on fixed deposit, prepaid expenses and balance with govt. authorities. The company is anticipated to realise pending amounts with government authorities in FY 2025-26 resulting decrease in other current assets.
Other Current Liability	The category of "Other current liabilities" primarily includes items such as payable for employee benefits, payables for statutory and other authorities, advance from customers, and other similar obligations. In FY 2025–26 and FY 2026-27, the Company expects a proportional increase in other current liabilities due to the expansion of operations and increased turnover.
Short-term Loans and Advances	This includes mostly advance to suppliers/employees etc, the Company foresees a major change due to relying more on upfront payment upon fulfillment of model/colour split mix as required by us.
Net Working Capital	Net working capital is the difference between a company's current assets and current liabilities, representing the funds available for day-to-day operations. It is a crucial indicator of a business's short-term financial health and liquidity. One significant factor influencing working capital requirements is the size and scale of the business, as increased sales volume directly impacts these needs. For FY 2025-26, the company projects a net working capital requirement of ₹ 5414.92 lakhs, with incremental requirement of ₹ 980.30 lakhs which will be financed through internal accruals of ₹ 480.30 lakhs and proceeds from IPO amounting to ₹ 500 lakhs. For FY 2026-27, the company projects a net incremental working capital requirement of ₹ 679.37 lakhs, which will be financed through incremental internal accruals of ₹272.41 lakhs* and proceeds from an IPO amounting to ₹ 406.96 lakhs. (**Rs. 3337.34 lakhs - Rs. 2564.92 lakhs - Rs. 500 lakhs =Rs. 272.41 lakhs as IPO proceeds shown in FY 2026-27 is only incremental)*
Revenue from Operations	The Company's revenue has shown a significant upward trend over the past three financial years, reflecting effective operational strategies and improved market positioning.

	However, the top line is dropped in FY 2024-25 due to the implementation and setting up of online ecommerce business. All resources were pooled toward the set-up of systems and logistics **Justification for decline of Turnover in FY 24-25 to Rs.277.90 cr** Discontinuation of INR Billing Impact: In FY 23-24, there was direct customer billing to Iraq with a trade cycle averaging just 2 days, contributing a total value of ₹33 crore. At that time, the average trade receivable period was 20 days. However, post April 2024, the customer informed us due to some banking constraints and with our 100% advance terms, he cannot continue business with us, resulting in a significant revenue dip in FY 24-25. **Justification for Future Growth:** Future growth in FY 2025-26 and FY-26-27 is also projected based on the fact that company plan to explore more export markets and increase product line in exports to cater to the ever-increasing export market potential. Also, we anticipate an increase in ecommerce business. The management has developed industry relations with suppliers to widen the range of products being exported and also the export to new territories/markets for increasing scale of operations and profitability. The company being a merchant exporter, plans to tap the huge potential in the export of smartphones and other products globally. Also, we expect better scalability and higher market reach as domestic/online platforms enable pan-India reach.
% of Inventory / Revenue from Operations	The inventory as a percentage of revenue from operations for FY 2025-26 & 2026-27 is slightly high mainly due to the management decision to maintain higher inventory: - to avoid any potential delays in procurement due to global or local supply chain disruptions. -to lower procurement costs and minimize price fluctuations and to prevent stockouts at any given point of time - Ensuring product availability to enhance customer satisfaction and reduce order fulfilment delays - to support business expansion and new product launches. We will be able to maintain the better inventory level by ensuring proper market analysis. Ecommerce business may also contribute to the longer inventory holding time.

% of Trade receivables / Revenue from operations	There is a significant change in Trade receivable in terms of % age of Revenue due to: - Expansion plan to new products and international markets - To attract new customers in the export market we may offer extended/flexible credit terms - Some international buyers may ask for extended credit period due to economic or currency fluctuations - Entry into emerging or developing markets means, it will take time to set up proper payment setup with banks. - Ecommerce platforms hold payments and release after 20-35 days
% of Trade Payable / Revenue from operations	No significant change in Trade payable in terms of % age of Revenue and it is being maintain on Year-to-year basis.
Working Capital Cycle	Working Capital Cycle has been increased in FY 2024 - 25 mainly due to increase in Receivable (specially for export) as we are giving credit period to customers owing to the geo political scenario and also to remain competitive. The increased sales will lead to increased logistics and distribution costs requiring additional funds. Also, the impact of Inflation and Forex Currency fluctuations may increase costs, impacting Net Working Capital requirements.

The issuer shall submit a certificate of the statutory auditor to SME exchange(s) while filing the quarterly financial results, for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

3. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to the amount for general corporate purposes, as mentioned in objects of the issue in the draft offer document and the offer document shall not exceed 15% of the amount being raised by the issuer or ₹10 crores, whichever is less, in accordance with Regulation 230 of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) meeting of exigencies which our Company may face in the course of any business; and (v) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of Rs. [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Prospectus, shall not exceed 15%. of the amount being raised by the issuer or ₹10 crores, whichever is less.

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4. Issue Expenses

The total estimated Issue Expenses are Rs. [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs. in Lakh) *	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
Total	[●]	[●]	[●]

Notes: Issue expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

INTERIM USE OF PROCEEDS

Pending utilization for the purposes described above, our Company intends to invest the funds in Scheduled Commercial Banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets. Provided further that the interim use of funds shall be made in accordance with the applicable laws of ICDR.

MEANS OF FINANCE

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

Particulars	Amt (Rs. in lakhs)
Net Issue Proceeds	[●]
Total	[●]

Since, the entire fund requirement are to be funded from Short-Term Borrowings, Internal accrual and Net Proceeds of the Issue, thus we are not required to make firm arrangements of finance through verifiable means

towards 75% of the stated means of finance excluding the amount to be raised through the proposed Issue and through existing identifiable internal accruals, as required under Regulation 230(1)(e) of the SEBI ICDR Regulations.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

APPRAISAL

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and 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 but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated September 24, 2025 from M/s Kapish Jain & Associates, Chartered Accountants vide UDIN: 25512562BMIGNS5366. The certificate states that the Company has deployed amounts aggregating Rs. 24.50 Lakhs as on September 24, 2025, for the Issue Expenses. The Source of the expenses made by the Company through the Internal Accruals.

SHORTFALL OF FUNDS

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

MONITORING UTILIZATION OF FUNDS

As the Issue size is less than Rs. 5,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. However, in an issue where the issuer is not required to appoint a monitoring agency under this regulation, the issuer shall submit a certificate of the statutory auditor for utilization of money raised through the public issue (excluding offer for sale by selling shareholders) to stock exchange while filing the half yearly financial results, till the issue proceeds are fully utilized.

Further, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue. Further, Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this draft prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

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

Further, in an issue where working capital is one of the objects of the issue and the amount raised for the said object exceeds five crore rupees, the issuer shall submit a certificate of the statutory auditor to stock exchange while filing the half-yearly financial results, for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

- As on the date of this Draft Prospectus we do hereby Confirm that the variation in utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval.
- As on the date of this Draft Prospectus we do hereby Confirm that there be no revision in the funding requirements and deployment?
- As on the date of this Draft Prospectus we do hereby Confirm that revision in funding requirement & deployment will not entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements.
- As on the date of this Draft Prospectus we do hereby Confirm that if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required and general corporate purposes in accordance with applicable laws.
- As on the date of this Draft Prospectus we do hereby Confirm that in the event the estimated utilization out of the Net Proceeds in a Fiscal is not completely met due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; or (iii) any other commercial considerations, such unutilized portion of the Net Proceeds shall be utilized in the subsequent fiscals, as may be decided by the Company, in accordance with applicable laws
- As on the date of this Draft Prospectus we do hereby Confirm No part of the Net Proceeds will be utilized by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoter, member of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management in relation to the utilization of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page no. 208, 208, and 195 of this Draft Prospectus.

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BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled "**Risk Factors**", the details about our Company under the section titled **"Our Business"** and its financial statements under the section titled **"Financial Information of the Company"** beginning on page 27,* 144 *and* 207 *respectively of the Draft 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.*

Issue Price shall be determined by our Company in consultation with the Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Fixed price Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value.

For the purpose of making an informed investment decision, the investors should also refer **"*Risk Factors*"**, **"*Our Business*"** and **"*Financial Statement as restated*"** beginning on page 31, 151 and 222 respectively of this Draft Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

a) Experienced and Qualified Management and Employee base
b) Growing customer base
c) Scalable and reliable business model
d) Market Potential

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page 151 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Financial Information of the Company"*** on page 222 of this Draft Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):

As per the Restated Financial Statements: -

Sr. No	Period	Basic & Diluted (In Rs.)	Weights
1.	Financial Year 2022-23	7.75	1
2.	Financial Year 2023-24	11.17	2
3.	Financial Year 2024-25	4.51	3
	Weighted Average	**7.27**	

**Not Annualized*

Notes:

i. The figures disclosed above are based on the Restated Financial Statements of the Company.
ii. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.
iii. Earnings per Equity Share = Profit for the period/year / Weighted average number of equity shares outstanding during the period/year.

iv. *The face value of each Equity Share is ₹10.00.*

v. *Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*

vi. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Note IV.*

vii. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year / period.*

viii. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.*

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/-each fully paid up

Particulars	(P/E) Ratio at the Issue Price
P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2024-25	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]

3. Industry P/E ratio

Particulars	P/E ratio *
Highest	181.7
Lowest	8.3
Industry Average	66.7

Source: Industry Peer Group P/E Ratio- Trading- Capital Market Vol No. XXXX/16/40SPLSPL16 September 15 - September 28, 2025.

Note: Extreme outliers from both ends have been removed for better comparison

4. Average Return on Return on Net worth (RoNW)*

Sr. No	Period	RoNW (%)	Weights
1	Financial Year 2022-23	118.05%	1
2	Financial Year 2023-24	71.14%	2
3	Financial Year2024-25	29.22%	3
	Weighted Average	**57.99%**	

Note:

i. *The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Average Net worth of the year/ period*

ii. *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW xWeight) for each year / Total of weights*

5. Net Asset Value (NAV) per Equity Share (post bonus issue) as per restated financials:

(In Rs.)

Sr. No.	NAV per Equity Share	Outstanding at the end of the year
1.	As at March 31, 2023	10.45
2.	As at March 31, 2024	13.19

3.	As at March 31, 2025	17.71
4.	NAV per Equity Share after the Issue	[●]
5.	Issue Price	[●]

Notes:

1. *NAV per share =Restated Net worth at the end of the year / weighted average number of equity shares outstanding at the end of the year/ period.*
2. *Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.*
3. *Issue Price per Equity Share will be determined by our Company in consultation with the Lead Manager.*

6. Comparison of Accounting Ratios with Industry Peers:

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates, whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Sl. No.	Name of the Company	Face Value (Per Share)	CMP*	EPS	P/E Ratio*	RONW (%)	NAV (Rs. Per share)	PAT (Rs. in Lakh)
1	Kanone Technologies Limited	10	[●]	4.51	[●]	29.22%	17.71	428.57
2	Redington (India) Limited	10	290.20	18.47	15.71	35.17%	58.67	1,44,376.00

**to be updated at the time of prospectus*

Notes for peer group:

a) P/E Ratio has been computed based on the closing market price of equity shares on BSE/NSE on September 22, 2025 divided by the Basic EPS as at March 31, 2025.
b) Return on Net Worth (%) = net profit after tax divided by Average net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus/Other Equity.
c) NAV is computed as NAV is computed as the closing net worth as on March 31, 2025 divided by the outstanding number of equity shares as on March 31, 2025.
d) CMP is taken as per 22th September, 2025.

"The issue price has been determined by the issuer in consultation with the lead manager and justified by the issuer in consultation with the lead manager on the basis of the above information".

7. Key Performance Indicator

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.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 24, 2025 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 DP. Further, the KPIs herein have been certified by our Peer Reviewed/ Statutory Auditors namely Kapish Jain & Associates, Chartered Accountants, vide their certificate dated

KANONE

September 24, 2025, UDIN: 25512562BMIGNV3352.

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 151 and 258 respectively. We have described and defined the KPIs, as applicable, in ***"Definitions and Abbreviations"*** on page 01.

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 Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

(Rs. In Lakhs except EPS. percentages and ratios)

Particulars	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Revenue from operations [(1)]	27,790.46	42,871.68	25,287.34
Revenue CAGR (%) from F.Y. 2023-2025[(2)]	*4.83%*		
EBITDA[(3)]	523.88	547.52	106.98
EBITDA (%) Margin[(4)]	1.89%	1.28%	0.42%
EBITDA CAGR (%) from F.Y. 2023-2025[(5)]	*121.28%*		
EBIT[(6)]	846.46	977.55	524.33
ROCE (%)[(7)]	44.96%	95.88%	175.75%
Current ratio[(8)]	1.50	1.53	1.17
Operating cash flow[(9)]	115.75	(1,627.12)	(788.18)
PAT[(10)]	428.57	614.23	352.05
PAT Margin [(11)]	1.54%	1.43%	1.39%
Net Worth [(12)]	1,681.17	1,252.60	474.26
ROE/ RONW[(13)]	29.22%	71.14%	118.04%
EPS[(14)]	4.51	11.17	7.75
Debt/ Equity Ratio (in times)[(15)]	1.88	2.10	1.74

Notes:

(1) Revenue from operations is the revenue generated from operations by our Company.

(2) Revenue CAGR: The three-year compound annual growth rate in Revenue.
[(Ending Value/Beginning Value) ^ (1/N)]-1

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

(4) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

(5) EBITDA CAGR: The three-year compound annual growth rate in EBITDA.
[(Ending Value/Beginning Value) ^ (1/N)]-1

(6) EBIT is Earnings before Finance Cost and taxes.

(7) ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined
as shareholders' equity plus long-term debt.

(8) Current Ratio: Current Asset over Current Liabilities

(9) Operating Cash Flow: Net cash inflow from operating activities

(10) PAT is mentioned as profit after tax for the period.
(11) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
(12) Net Worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.
(13) ROE: Return on Equity is calculated as PAT divided by average shareholders' equity
(14) EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares.
(15) Debt to Equity ratio is calculated as total debt divided by shareholders' equity

Explanation 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.
Revenue CAGR %	Revenue CAGR informs the management of compounded annual growth rate i.e. Rate at which Company's revenue are growing on annual basis.
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
EBITDA CAGR %	EBITDA CAGR indicate our compounded growth of the business
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	Current ratio indicates the company's ability to bear its short-term obligations
Operating Cash Flow	Operating cash flow shows whether the company is able to generate cash from day-to-day business
PAT	Profit after Tax is an indicator which determine the actual earning available to equity shareholders
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of the 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.
ROC/RONW	ROC/RONW (%) is an indicator which shows how much company is generating from its available shareholders' funds
EPS	Earning per shares is the company's earnings available of one share of the Company for the period
Debt-to-Equity (D/E) ratio	The debt-to-equity (D/E) ratio is a financial metric that compares a company's total liabilities (debt) to its total shareholder equity, revealing how much debt it uses to finance its operations compared to its own capital.

The remainder of this page has been left blank intentionally.

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8. Comparison of KPI with listed industry peers*

(Amount in lakh, except EPS, % and ratios)

Key Financial Performance	Kanone Technologies Limited			Redington (India) Limited		
	F.Y. 2024-25	***F.Y. 2023-24***	***F.Y. 2022-23***	***F.Y. 2024-25***	***F.Y. 2023-24***	***F.Y. 2022-23***
Revenue from operation[1]	27,790.46	42,871.68	25,287.34	4,890,250.00	4,122,760.00	3,534,144.00
Growth in Revenue from operation[2]	*-35%*	*69.54%*	*1031.26%*	*18.62%*	*16.66%*	*30.80%*
EBITDA[3]	523.88	547.52	106.98	113,247.00	100,619.00	85,975.00
EBITDA Margin[4]	1.89%	1.28%	0.42%	2.32%	2.44%	2.43%
EBIT[5]	846.46	977.55	524.33	183,039.00	148,283.00	135,396.00
ROCE (%)[6]	44.96%	95.88%	175.75%	44.58%	25.40%	29.30%
Current ratio[7]	1.50	1.53	1.17	1.40	1.35	1.30
Operating cash flow[8]	115.75	(1,627.11)	(788.18)	9,419.00	27,193.00	(208,684.00)
PAT[9]	428.57	614.23	352.05	144,376.00	108,124.00	107,188.00
PAT Margin[10]	1.54%	1.43%	1.39%	2.95%	2.62%	3.03%
Net Worth[11]	1,681.17	1,252.60	474.26	458,670.00	362,426.00	310,643.00
ROE/ RONW[12]	29.22%	71.14%	118.04%	35.17%	32.13%	37.91%
EPS[13]	4.51	11.17	7.75	18.47	13.83	13.72
Debt/ Equity Ratio (in times)[14]	1.88	2.10	1.74	0.34	0.51	0.62

*All the information for **Redington (India) Limited** mentioned above are on a standalone basis and is sourced from their respective audited financial results and/or annual report because company did not have any group company to be consolidated.

Notes:

(1) Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies

(2) Growth in Revenue from operations (%) is calculated as Revenue from operations of the relevant period minus Revenue from operations of the preceding period, divided by Revenue from operations of the preceding period

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

(4) EBITDA Margin' is calculated as EBITDA divided by Total income of the company.

(5) EBIT is Earnings before Finance Cost and taxes

(6) ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined as shareholders' equity plus long-term debt.

(7) Current Ratio: Current Asset over Current Liabilities

(8) Operating Cash Flow: Net cash inflow from operating activities

(9) PAT is the profit for the period from continuing operations

(10) PAT Margin' is calculated as PAT for the period/year divided by Total Income

(11) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

(12) ROE: Return on Equity is calculated as PAT divided by average shareholders' equity

(13) EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares.

(14) Debt to Equity ratio is calculated as total debt divided by shareholders' equity.

The remainder of this page has been left blank intentionally.

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9. Past allotment(s) /transfer (s) or weighted average cost of acquisition ("WACA"), issue price

For Details of past allotments and transfers please chapter titled "capital structure" of this draft prospectus on page no 88.

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

The Company has issued the following shares (excluding shares issued under ESOP / ESOS / Bonus shares) during the 18 months preceding the date of this DP, 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 multipletransactions combined together over a span of 30 days.

Date of Allotment	No. of equity shares allotted	Face Value	Issue Price (including premium)	Nature of Consideration	Nature of Allotment	Total Consideration (In Rs.)
NIL						
Weighted Average Cost of Acquisition						Nil

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

There has 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 ormultiple transactions combined together over a span of rolling 30 days.

Sr. No.	Name of transferor	Name of Transferee	No. of Equity Shares Sold/transferred	Transaction Date	Face Value per equity share (Rs.)	Sale/transfer price per equity share (Rs.)	Total Consideration
Nil							

Note 1: In case there are no such transactions to report under (a) and (b), then the information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the DP / Prospectus, irrespective of the size of transactions

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A. Primary Transaction:

Date of Acquisition	No. of Shares Acquired	Nature of Consideration	Price of Acquisition	Consideration paid (in Rs.)
28-03-2023	50,000	Cash (Right Issue)	110	55,00,000.00
Total shares	50,000			
Total Consideration				**55,00,000.00**
Weighted average shares				**2,27,000**
Weighted average price				**24.23**

B. Secondary Transactions:

S.No.	Name of transferor	Name of transferee	No.of equity shares sold/ transferred	Transaction date	Face value per equity shares (Rs.)	Sale/ transfer Price per equity share (Rs.)	Total consideration (Rs. Lakhs)
1	Futurex Trading Co.	Sruthi Muhammad Ali	1000	12-02-2024	10	10	0.10
2	Faizal Bavaraparambil Abdul Khader	Manzoor Kidhwai	10	12-03-2024	10	10	0.001
3	Faizal Bavaraparambil Abdul Khader	Dheena Mohammed Sharafu	10	12-03-2024	10	10	0.001
4	Faizal Bavaraparambil Abdul Khader	P I Muhammad Ali	10	12-03-2024	10	10	0.001
5	Faizal Bavaraparambil Abdul Khader	Sayeeda Beevi	10	12-03-2024	10	10	0.001
6	Faizal Bavaraparambil Abdul Khader	Laya Muhammed Ali	10	12-03-2024	10	10	0.001
7	Geo Infratech	Safa System and Technologies Limited	174000	20-03-2024	10	73.72	128.27
8	Siraj BA	Safa System and Technologies Limited	86000	20-03-2024	10	73.72	63.40

9	Siddik	Safa System and Technologies Limited	86000	20-03-2024	10	73.72	63.40
10	Horizon Trades	Safa System and Technologies Limited	174000	20-03-2024	10	73.72	128.27
11	Futurex Trading Co.	Safa System and Technologies Limited	170000	20-03-2024	10	73.72	125.32
12	Nadeera K A	Safa System and Technologies Limited	56000	20-03-2024	10	73.72	41.28
13	Navas	Safa System and Technologies Limited	60000	20-03-2024	10	73.72	44.23
14	Simitha Jamal	Safa System and Technologies Limited	60000	20-03-2024	10	73.72	44.23
15	Kutub International Trading	Safa System and Technologies Limited	174000	20-03-2024	10	73.72	128.27
16	Laya Muhammed Ali	Anaz Abdul Khadar	45	29-01-2025	10	10	0.0045
	Total						**766.80**
	Weighted average cost of acquisition (Rs.)						**17.31**

10. Weighted average cost of acquisition, floor price and cap price

Types of transactions	**Weighted average cost of acquisition (₹ per Equity Shares)**	**Issue Price* (i.e. ₹ [●])**
Weighted average cost of acquisition of primary / newissue as per paragraph 8(a) above.	Nil	-
Weighted average cost of acquisition for secondary sale /acquisition as per paragraph 8(b) above.	Nil	-
Weighted Average cost of acquisition for primary/new issue as per the note:1A mentioned above	24.23	**[●]**
Weighted Average cost of acquisition for secondary sale/acquisition as per the note:1B mentioned above	17.31	**[●]**

***** *To be updated at Prospectus stage.*

Explanation for Issue Price being [●] times price of face value.

The Issue Price of ₹ [●]/- has been determined by our Company, in consultation with the LM, on the basis of market demand from investors for Equity Shares and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on page 31, 258, and 222, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 31 and you may lose all or part of your investment.

KANONE

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Kanone Technologies Limited
(formerly known as Kanone Technologies Private Limited)
B4(1), 46/2678, Kaniyapilly Road,
Chakkaraparambu Vennala P.O Ernakulam,
Kerala, India, 682028

Dear Sir,

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

We hereby confirm that the enclosed annexure, prepared by "**Kanone Technologies Limited**" ('**the Company**") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2024, i.e., applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, presently in force in India for inclusion in the Draft Prospectus ("DP") / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

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

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

the discussions herein.

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

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

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the 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 interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

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

Signed in terms of our separate report of even date.
For Kapish Jain & Associates,
Chartered Accountants,
Firm Registration No: 022743N

Sd/-

CA Vikas Katyal
Partner
Membership No: 512562
UDIN: 25512562BMIGNP9375
Place: New Delhi
Date: September 24, 2025

KANONE

Annexure to the statement of possible Tax Benefits

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

1. **Special Tax Benefits available to the Company under the Act:**
   The Company is not entitled to any Special tax benefits under the Act.
2. **Special Tax Benefits available to the shareholders of the Company**
   The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

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

Signed in terms of our separate report of even date.
For Kapish Jain & Associates,
Chartered Accountants,
Firm Registration No: 022743N

Sd/-

CA Vikas Katyal
Partner
Membership No: 512562
UDIN: 25512562BMIGNP9375
Place: New Delhi
Date: September 24, 2025

KANONE

SECTION V- ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

OVERVIEW ON GLOBAL ECONOMY

Global economic conditions are shaped by changing growth dynamics, fluctuating commodity prices, and evolving monetary policies, which influence domestic inflation, trade balances, and capital flows. At present, this interconnectedness is complicated by unusual levels of geopolitical tensions, supply chain disruptions, and climate-related shocks**.**

STEADY GLOBAL GROWTH AND VARIED REGIONAL DYNAMICS

Globally, 2024 has been an eventful year. The year witnessed unprecedented electoral activity on the political front, with more than half of the global population voting in major elections across countries. Meanwhile, adverse developments like the Russia-Ukraine conflict and the Israel-Hamas conflict increased regional instability. These events impacted energy and food security, leading to higher prices and rising inflation. Cyberattacks also became more frequent and severe, with growing human and financial consequences due to the increasing digitisation of critical infrastructure. Geopolitical tensions, have reshaped global trade. Geopolitical risks and policy uncertainty, especially around trade policies, have also contributed to increased.

Nonetheless, global economic growth has remained fairly moderate. The global economy grew by 3.3 per cent in 2023. The International Monetary Fund (IMF) has projected growth of 3.2 per cent and 3.3 per cent for 2024 and 2025, respectively. Over the next five years, global growth is expected to average around 3.2 per cent, which is modest by historical standards. While the overall global outlook remains steady, growth varies across different regions.

Despite higher interest rates, advanced economies (AEs) witnessed stable growth in the first half of 2024. This was on account of moderating inflation and sustained employment and consumption. However, the growth outlook differs between the United States (US) and the Euro Area. Growth in the US is expected to remain strong at 2.8 per cent in 2024 and may decline slightly in 2025, reflecting a moderation in consumption and exports.

In the Euro area, growth is expected to improve from 0.4 per cent in 2023 to 0.8 per cent in 2024 and further to 1.0 per cent in 2025 on the back of improving services activity. However, growth outcomes in Europe have been varied. Some countries like Spain, France, Poland, and the United Kingdom have benefitted from the strength of their services sector. Meanwhile, manufacturing-intensive countries like Germany and Austria are being weighed down by weak demand. Germany’s structural weaknesses, particularly in manufacturing (Chart

I.3), have been noticeable, contributing to the slackness in Europe's manufacturing. Political developments in France and Germany are also adding to policy uncertainty in Europe's major economies.

The divergence of the growth trajectories of Europe and the US can also be seen in Citi Economic Surprises indices for these countries (Chart I.4). These indices compare actual data releases with analyst expectations. A value above zero indicates the data was stronger than analyst expectations, while a negative value indicates weaker actual data compared to expectations. Between January 2023 and November 2024, data for the US economy continued to present more 'positive' surprises than the EU, compared to the analyst estimates.

Within Asia, Japan's growth was hindered by domestic supply disruptions in the early part of the year, while China's growth weakened after the first quarter, affected by sluggish private consumption and investment, alongside challenges in the real estate sector.

Chart I.3: Structural weakness in the German economy

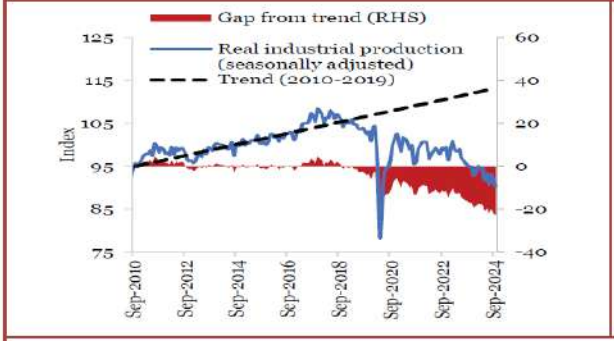
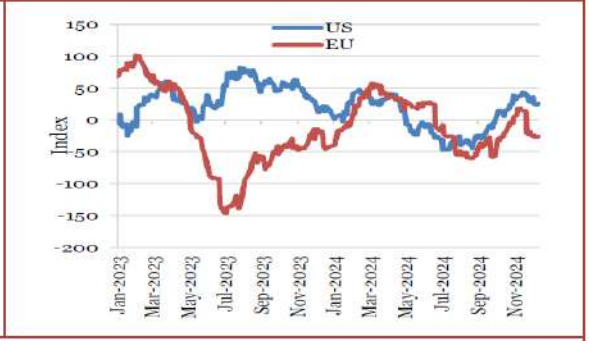


Chart I.4: Citi Economic Surprise Indices indicating unexpected resilience of the US



Geopolitical uncertainties continue to pose risks to the global economic outlook

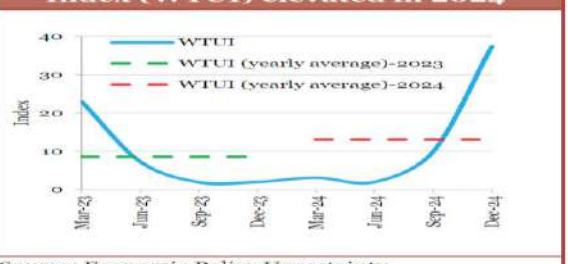
Geopolitical risks remain elevated due to ongoing conflicts, which pose significant risks to the global economic outlook. These risks can influence growth, inflation, financial markets, and supply chains. An intensification of the evolving conflicts in the Middle East, or the Russia-Ukraine conflict, could lead to market repricing of sovereign risk in the affected regions and disrupt global energy markets. The oil market is well-supplied for now. However, any damage to energy infrastructure could tighten supply, adding uncertainty to the global economic outlook.

Tensions in the Middle East have disrupted trade through one of the critical shipping routes – the Suez Canal. About 15 per cent of global maritime trade volume normally passes through the Suez Canal. In response, several shipping companies have diverted their ships around the Cape of Good Hope, which has increased delivery times by 10 days or more, on average. These disruptions have led to higher freight rates along major shipping routes, which in turn impact global trade activity.

Chart I.18: Geopolitical Risk (GPR) Index higher in 2024

Source: Economic Policy Uncertainty
https://www.policyuncertainty.com/gpr.html

Chart I.19: World Trade Uncertainty Index (WTUI) elevated in 2024



Source: Economic Policy Uncertainty
https://worlduncertaintyindex.com/data/

Heightened risks are also evidenced by other indices, such as the Geopolitical Economic Policy Uncertainty index, which remains elevated due to global concerns about economic policies. Similarly, the World Trade Uncertainty Index has risen, driven by trade tensions and policy shifts in major economies. Trade policy uncertainty has increased sharply in recent months, though it has not yet reached the levels seen in 2018-19. The stock of import-restrictive measures within G20 economies continues to grow, now affecting 12.7 per cent of G20 imports—more than three times the coverage of such measures in 2015. If uncertainty persists and trade-restrictive measures continue to rise, they could increase costs and prices, deter investment, hinder innovation, and ultimately reduce global economic growth. In light of these developments, Chapter 5 of the Survey on the Medium-Term Outlook elaborates on the global factors and the importance of strengthening the levers of domestic growth.

Source: https://www.ibef.org/download/Economic_Survey_2024-25.pdf

INDIAN ECONOMIC REVIEW

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 for FY25 is estimated at Rs. 33.10 lakh crore (US$ 3.8 trillion) with growth rate of 9.9%, compared to Rs. 30.12 lakh crore (US$ 3.5 trillion) in FY24. 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 second half of FY25. In FY25, India's exports stood at Rs. 37.31 lakh crore (US$ 433.56 billion), with Engineering Goods (26.88%), Petroleum Products (13.86%) and electronic goods (8.89%) 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. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. 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.

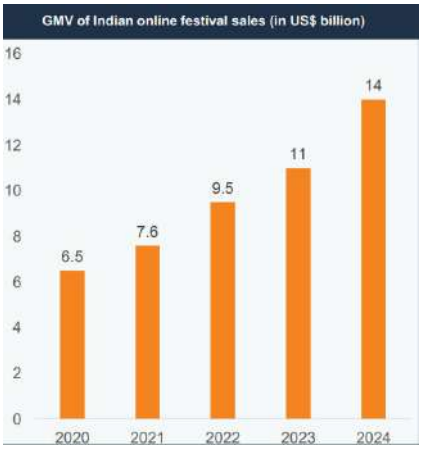
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because 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:

According to a recent report by EY India, generative artificial intelligence (GenAI) has the potential to enhance productivity in India's retail industry by 35–37% over the next five years. The report, titled *'The AIdea of India:*

2025', highlights the growing momentum of AI adoption, with 48% of Indian businesses already initiating proof of concept (PoCs) for GenAI solutions and another 32% allocating budgets or planning investments in this space.



Parallel to this technological transformation, India's digital payment ecosystem continues to scale new heights. The Unified Payments Interface (UPI) has emerged as a key driver, facilitating 16,996 crore transactions worth over Rs. 23.48 lakh crore (US$ 270.3 billion) in January 2025 alone. This growth trajectory continued, with UPI transactions hitting a record value of Rs. 25.75 lakh crore (US$ 294 billion) and volume of 18.68 billion in May 2025—representing a 23% rise in value and 33% increase in volume year-on-year. In fact, March 2025 saw the highest-ever transaction volume of 19.78 billion, amounting to Rs. 24.77 trillion (US$ 290 billion).

The expansion of digital payments has gone hand-in-hand with the steady growth of India's e-commerce sector. In FY25, the industry recorded a gross merchandise value (GMV) of approximately Rs. 1.19 lakh crore (US$ 14 billion), marking a 12% year-on-year increase. The consumer base is also evolving rapidly, with the number of online shoppers projected to grow at a CAGR of 22% in rural areas (to 88 million) and 15% in urban areas (to 263 million) between FY19 and FY26. Rising smartphone penetration, deeper internet connectivity, and improved logistics are further fueling this expansion.

Within e-commerce, quick commerce is emerging as a particularly fast-growing segment. The market is projected to touch Rs. 43,435 crore (US$ 5.0 billion) by FY25 and nearly double to Rs. 86,001 crore (US$ 9.9 billion) by FY29. By 2026, more than 60% of India's e-commerce demand is expected to come from tier 2–4 towns, underscoring the importance of smaller cities and towns in shaping the next phase of growth.

Government initiatives are also playing a critical role in strengthening India's digital economy. The Government e-Marketplace (GeM) crossed a GMV of Rs. 5 lakh crore (US$ 58.5 billion) in FY25, achieving the milestone 18 days before the financial year ended. Services accounted for 62% of this value at Rs. 2.54 lakh crore (US$ 29.7 billion), while products contributed the remaining 38% at Rs. 1.55 lakh crore (US$ 18.1 billion).

Together, these developments reflect India's accelerated digital transformation. With the convergence of AI, digital payments, e-commerce, and government-backed platforms, the country is poised to witness significant productivity gains, deeper market penetration, and stronger economic growth in the coming years.

Growth of e-commerce in India

India's booming e-commerce market is driven by affordable smartphones and low-cost data plans, leading major retail and consumer goods makers to increase their investments in the online space. According to a recent report by RedSeer, India's e-B2B market is projected to reach a GMV of US$ 100 billion by 2030. India has the opportunity to significantly increase its share in the global B2C e-commerce market, which is projected to reach US$ 8 trillion by 2030. With current e-commerce exports at US$ 2 billion, there is substantial room for growth, particularly in high-demand products.

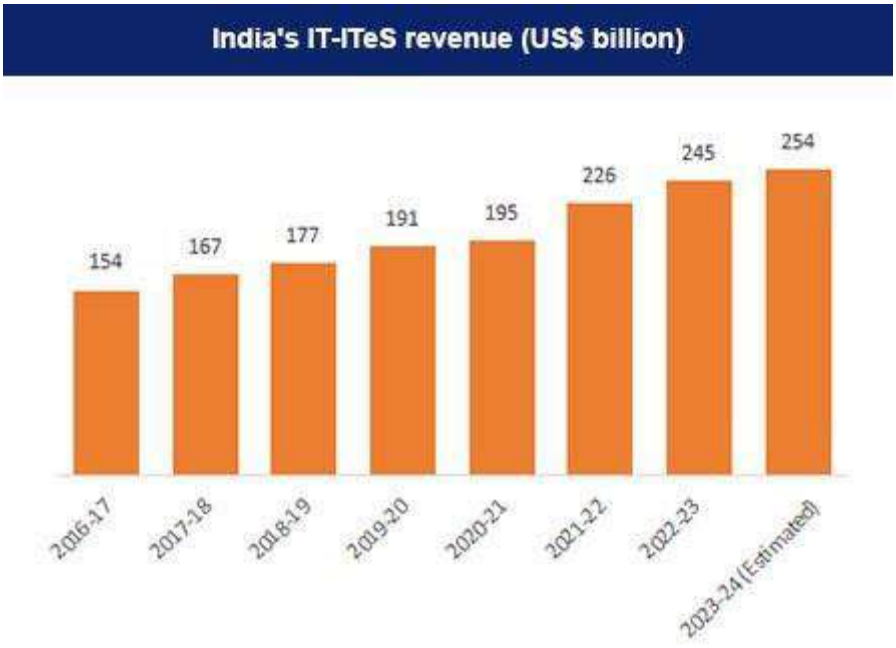
India is set to become the world's second-largest online consumer market by 2030, with approximately 600 million shoppers and significant growth in e-commerce driven by increased smartphone access, urban adoption, and a projected rise in online retail from 25% to 37% of the total market. In FY25, e-commerce drove 31% of total start-up funding, attracting Rs. 26,527 crore (US$ 3.1 billion) across 79 deals — a 128% jump from 2023.

Hyperlocal and B2C segments led, with Zepto alone raising Rs. 11,980 crore (US$ 1.4 billion), accounting for 44% of e-commerce PE/VC investments.

(Source: https://ibef.org/industry/ecommerce)

WORLDWIDE SMARTPHONE INDUSTRY

India, considered a popular manufacturing hub, has grown its domestic electronics production from US$ 29 billion in 2014-15 to US$ 101 billion in 2022-23. The electronics sector of India contributes around 3.4% of the country's Gross Domestic Product (GDP). The government committed nearly US$ 17 billion over the next six years across four PLI Schemes: Semiconductor and Design, Smartphones, IT Hardware and Components. Recently, the Ministry of Electronics & Information Technology released the second volume of the Vision document on Electronics Manufacturing in India, which stated that the electronics manufacturing industry will grow from the current US$ 75 billion in 2020-21 to US$ 300 billion by 2025-26. The major products that are expected to drive growth in India's electronics manufacturing are mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics, auto electronics, electronic components, LED lighting, strategic electronics, printed circuit board assembly (PCBA), wearables and hearables, and telecom equipment. India became the second-largest mobile phone manufacturing country after China, with cumulative shipments of locally produced handsets crossing two billion during 2014-2022. The mobile phone manufacturing in India has surged 21 times to reach US$ 49.3 billion (Rs. 4.1 lakh crore) over the last ten years, largely due to government initiatives such as the Production Linked Incentive (PLI) scheme. This growth has enabled India to meet 97% of its mobile phone demand domestically.



Source: NASSCOM

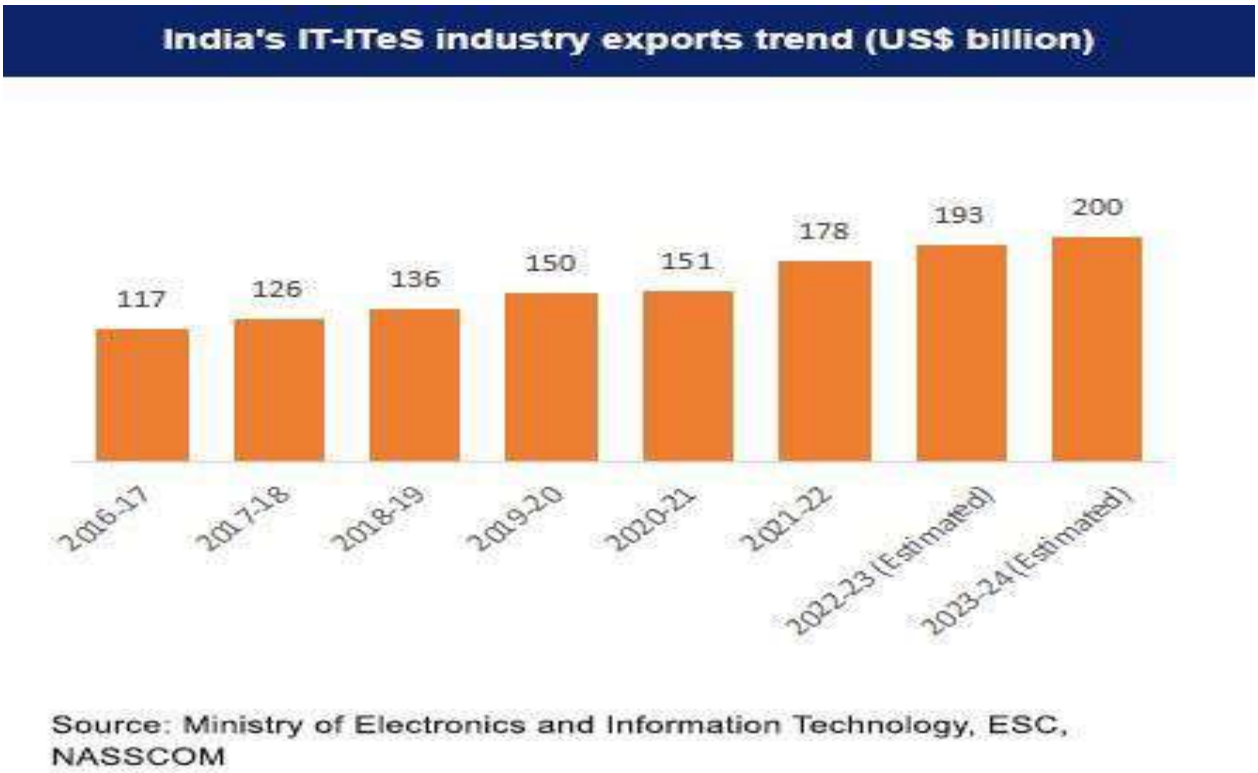
The IT sector in India is one of the largest contributors with a 7.5% contribution to GDP in FY23. The industry is expected to surpass US$ 300-350 billion by 2025. The Economic Survey 2023 revealed a 15.5% revenue growth for the IT-BPM sector in FY22, as against a 2.1% growth in the previous fiscal year. India's tech industry is estimated to touch US$ 254 billion in the FY24, an addition of around US$ 9 billion over previous year. India's IT industries and companies are majorly located in the southern regions such as Bangalore, Hyderabad, Chennai, Visakhapatnam, Trivandrum, Mysore, Mangalore, Kochi, etc. The country's major information technology hubs are Mumbai, Pune, Delhi, etc.

KANONE

EXPORT TREND

India is among the largest IT and BPM services exporting countries and accounts for about 56% of the global outsourcing market. According to a latest Crisil Ratings report The IT services sector in the country is likely to see a second successive year of revenue growth, at 5-7% in FY25. According to estimates by the Electronics and Computer Software Export Promotion Council (ESC), exports of computer software and services, including IT, ITeS (IT enabled services), and business process outsourcing (BPO), registered a year-on-year growth of 12.2%, reaching US$ 193 billion in the FY23. As per the National Association of Software and Service Companies (NASSCOM), the total amount of tech exports from India are estimated to amount US$ 200 billion for FY24. As per Reserve Bank of India's annual survey on computer software and information technology enabled services (ITES), exports of software services by Indian companies (excluding their sales through overseas commercial presence) increased by 18.4% during 2022-23 to US$ 185.5 billion. BPO services accounted for more than 84% of exports of information technology (IT) enabled services in FY23. Business process management (BPM) exports were estimated at US$ 42.1 billion in FY22, growing 8.7% over the previous year. This growth in BPM was mainly driven by automation-led services in finance & accounts and human resources, increased adoption of robotic process automation (RPA) and analytics. BPM is also witnessing an accelerated shift to platform solutions.

Over the last few years, engineering research and development (ER&D) services have recorded one of the fastest export growths, driven by the increasing adoption of software-led products and cloudification of equipment and devices. Exports for the ER&D sector were estimated at US$ 41 billion in 2022-23. Software products witnessed 7.8% growth to reach US$ 7.3 billion, mainly driven by the rise in demand for collaborative applications, application platforms, security software, system & service management software, and content workflow & management applications. The exports of electronic goods increased by 50.52% in FY23 to reach US$ 23.57 billion as compared to US$ 15.66 billion in FY22. Mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics and auto electronics are key export products in this sector. As per the Ministry of Electronics & IT vision, India's electronics industry exports are expected to increase to US$ 120 billion by 2026.



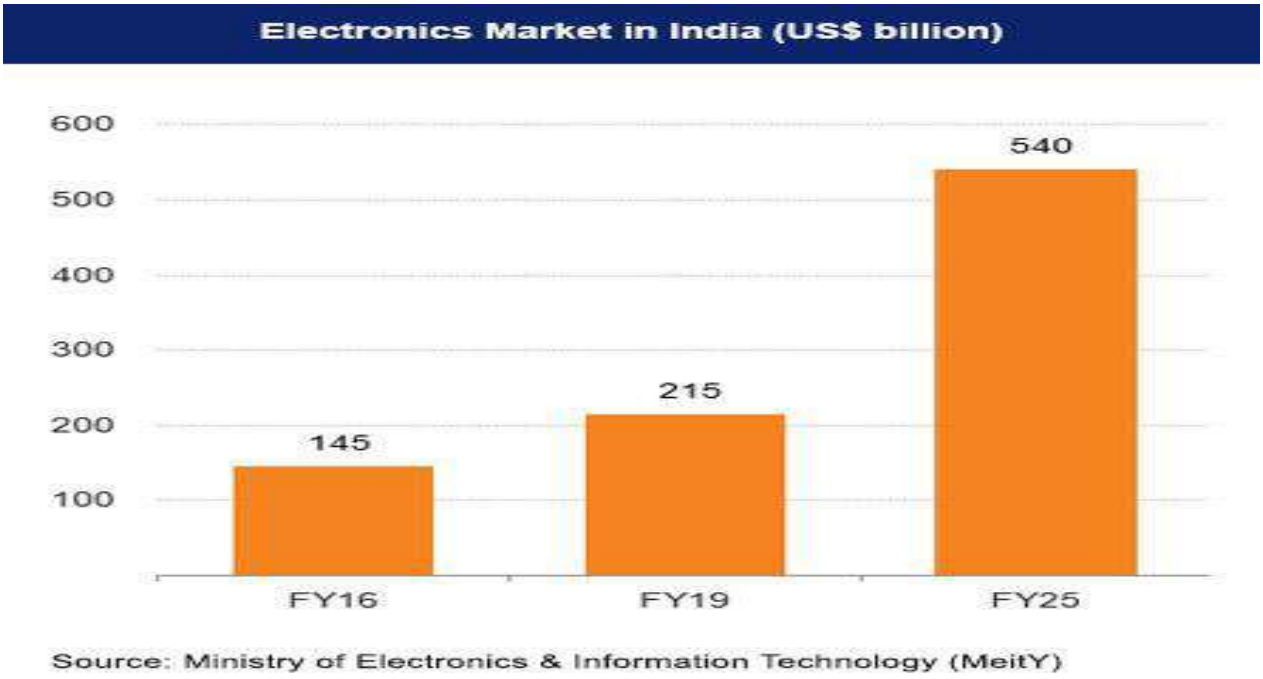
Source: Ministry of Electronics and Information Technology, ESC, NASSCOM

INDIAN SMARTPHONE INDUSTRY

MARKET SIZE

The Indian electronics manufacturing industry is projected to reach US$ 520 billion by 2025. The demand for electronic products is expected to rise to US$ 400 billion by FY25 from US$ 33 billion in FY20. Electronics system market is expected to witness 2.3x demand of its current size (FY19) to reach US$ 160 billion by FY25. The top products under the ESDM sector with the highest CAGR include IT/OA at 54%, followed by industrial electronics at 38% and automotive electronics at 10%. In FY24, the exports of electronic goods were recorded at US$ 29.11 billion as compared to US$ 23.57 in FY23. Electronics design segment, growing at 20.1%, was 22% of the ESDM market size in FY19; it is anticipated to be 27% of the ESDM market size in FY25.

India is one of the largest consumer electronics markets in the Asia Pacific Region and is home to considerable talent for electronic chip design and embedded software. India has committed to reach US$ 300 billion worth of electronics manufacturing and exports of US$ 120 billion by 2025-26. Major Government initiatives such as 'Digital India', 'Make in India' and supportive policies including a favourable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India.



India is the second fastest digitizing economy amongst the 17 leading economies of the world. The Government of India aims to make Electronics Goods amongst India's 2-3 top-ranking exports by 2026. Electronics Goods exports are expected to increase from the projected US$ 15 billion in 2021-22 to US$ 120 billion by 2026.

Investments/ Developments

Investment of Rs. 8,803 crore (US$ 1.06 billion) has been made under the scheme for promotion of manufacturing of electronic components and semiconductors. The PLI scheme for large-scale electronics manufacturing has attracted an incremental investment of Rs. 8,390 crore (US$ 1.01 billion) in June 2024.The Ministry of Electronics and Information Technology has supported over 3,600 tech startups with a total fund disbursement of Rs. 212 crore (US$ 25.5 million). India has made substantial cuts to import duties on mobile phones to enhance exports. In the last financial year, mobile phone exports reached Rs 1.2 lakh crore (US$ 14.4 billion), and this upward trend is expected to persist. India emerged as the second-largest manufacturer of mobile phones in the world, with a production value of mobile devices reaching US$ 49.16 billion in 2024.Prime Minister Mr. Narendra Modi participated in the event named India's Techade: Chips for Viksit Bharat and laid

the foundation stone for three semiconductor projects valued at Rs. 1.25 lakh crore (US$ 14.97 billion) on 13th March 2024.

Major Government initiatives such as 'Digital India', 'Make in India' and supportive policies including a favorable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India. Post-COVID, the Government of India aims to increase India's contribution by around US$ 400 billion worth of electronics goods including exports worth US$ 120 billion, which would account for 9-10% of the overall global value chains, from the current supply potential of 1-2%. Union Budget 2023-24 has allocated Rs. 16,549 crore (US$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US$ 1.73 billion) for the IT ministry.

The Indian startup ecosystem is experiencing a surge over the years, due to rapid technological advancements, increasing internet penetration, growing digital infrastructure, rising startup culture, government initiatives like Digital India, Make in India, and Startup India, as well as a large pool of skilled workforce. India has witnessed an exceptional surge in the creation and funding of startups as the country has solidified its position as a major global centre for innovation and businesses. However, securing adequate funding remains a significant task for startups, often leading to survival challenges. In 2023, the funding scenario for tech startups turned bleak amid the global uncertainty, witnessing a 67% YoY plunge in total funding to US$ 6.0 billion. This decline came after the peak funding levels observed in 2021 (US$ 24.1 billion) and 2022 (US$ 18.2 billion), where investors displayed confidence in Indian tech startups. In 2023, the number of deals declined to 824. However, the decline appears to be cyclical than a long-term trend.

STPI Signs MoUs to strengthen tech startup ecosystem: AIC STPINEXT Initiatives (STPINEXT), a special purpose vehicle of Software Technology Parks of India (STPI), an organisation under the Ministry of Electronics and Information Technology (MeitY) has signed two Memorandums of Understanding (MoUs), one with HDFC Bank, and another with Excelpoint Systems India Pvt. Ltd., a niche technology player for fostering entrepreneurship and nurturing tech startups in the country. These partners would play a critical role in supporting and handholding the startups in the growth journey through technical guidance & assistance, mentoring, pitching to investors, funding support, and market connect & access etc.

Some of the investments/ developments in the Electronics System Design & Manufacturing (ESDM) sector in the recent past are as follows:

- As of November 2023, applications of 27 IT hardware mobile phones manufacturers have been approved for Production Linked Incentive scheme (PLI).
- In March 2024, the Cabinet approved a massive Rs. 1.26 trillion (US$ 15.2 billion) investment in three semiconductor plants, signifying India's technological progress.
- India and Taiwan plan a US$ 7.5 billion chip plant deal, potentially boosting India's semiconductor manufacturing with anticipated tariff reductions on components.
- Production-Linked Scheme (PLI) for large-scale electronics manufacturing (including mobiles) has seen investments worth Rs. 6,887 crore (US$ 833 million) (till June 2023), already surpassing the target for FY24 which was Rs. 5,488 crore (US$ 664.4 million).
- In July 2023, electronics maker Elista announced that it would invest Rs. 100 crore (US$ 12.1 million) in Andhra Pradesh to set up a manufacturing unit for Smart LED TVs, smartwatches, audio speakers, and large appliances.
- US CHIP design major Advanced Micro Devices (AMD) will invest up to US$ 400 million in India over the next five years and will set up its biggest design facility in the country.
- The Index of Industrial Production of manufacturing of computer, electronic, and optical products (weight: 1.57%) was valued at 137, during FY23.
- India's electronics sector is set to harness US$ 7 billion untapped revenue by 2035 via circular business model and policy pathways, industry stakeholders said. Current commitments and targets set the projected market size for these circular models at US$ 13 billion in 2035.
- India has overtaken China as the second-largest manufacturer of mobile devices in the world, according to a report released by the international research firm Counterpoint in August. The 'Make in India' initiative's mobile phone shipments from India exceeded 2 billion cumulative units and an annual growth rate of 23% was recorded.

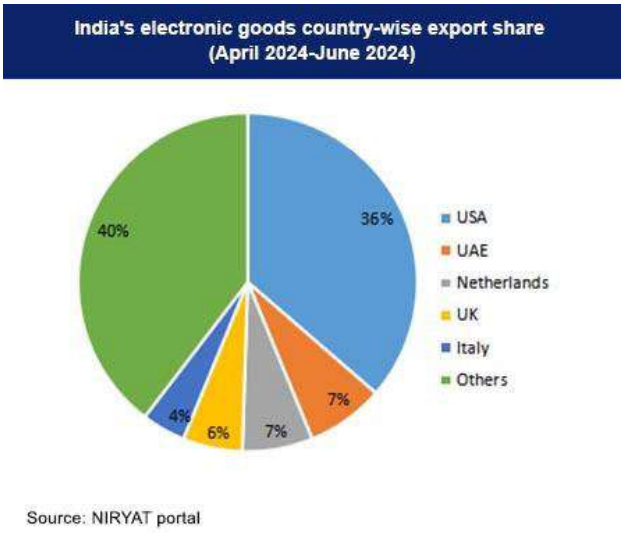
- According to a report 'India Monthly Wearable Device Tracker' by International Data Corporation (IDC), "hundreds" of" smartwatch model launches in the first half of the calendar year 2023 contributed to India's wearable market's growth of 53.3% year-over-year (YoY). The companies shipped 57.8 million units of wearables like smartwatches, earwear, and eyeglasses to the market in the first half of CY23.
- The Ministry of Electronics and IT (MeitY) announced the exchange of signing of a Memorandum of Understanding (MoU) between the Centre for Nano Science and Engineering (CeNSE) at the Indian Institute of Science (IISc), Bengaluru and Lam Research India at the SemiconIndia in Gandhinagar.
- In November 2023, Mr. Ashwini Vaishnaw, Union Minister of Communications & IT said that 99% of mobiles used in India are made in India.
- Industrial robot accessories company Robot System Products (RSP) has announced plans to set up a subsidiary in India. The Indian entity Scandinavian Robot Systems India Private Limited has been registered in Chennai and will supply a range of industrial robot accessories to Indian customers.
- India Semiconductor Mission organized a three-day SemiconIndia 2023 Conference in July 2023 with the theme ‘Catalysing India’s Semiconductor Ecosystem’ in Gandhinagar, Gujarat. SemiconIndia 2023 witnessed the participation of industry leaders from major global companies such as Micron Technology, Applied Materials, Foxconn, Cadence and AMD, and the industry association, SEMI.
- India and Japan on July 20, 2023, signed an agreement for semiconductor design, manufacturing, equipment research, and talent development and to bring resilience to the semiconductor supply chain.
- The cumulative FDI equity inflow in the Electronics industry is US$ 4.83 billion during the period April 2000-March 2024.
- In FY23, the exports of electronic goods were recorded at US$ 23.57 billion as compared to US$ 15.66 billion during FY22, registering a growth of 50.52%.
- Exports of electronic goods stood at US$ 2.0 billion in September 2022.
- During April 2022-February 2023, the imports of electronics goods stood at US$ 70.07 billion, whereas exports stood at US$ 20.69 billion.
- A nine-member task force was constituted by the Ministry of Electronics and Information Technology (MeitY) in March 2023 with the primary goal of making India a ‘product developer and manufacturing nation’, as per a report. The members of the task force are some of the veterans from the Indian electronic industry, including HCL Founder Mr. Ajay Chowdhary, Lava International Chairman Mr. Hari Om Rai, and Boat Lifestyle Co-Founder Mr. Aman Gupta, among others.
- In March 2023, the Government approved the setting up of the Electronics Manufacturing Cluster (EMC) at Hubli-Dharwad in Karnataka, worth US$ 22 million (Rs. 180 crore) and is expected to create about 18,000 jobs.
- As global companies are leveraging the well-developed manufacturing system in the State, Tamil Nadu has emerged as one of the major electronics hardware manufacturing and exporting States in the country. The state is well positioned to achieve a US$ 100 billion ESDM industry in the next five years.
- The India Cellular and Electronics Association in February 2023 signed a memorandum of understanding with the Uttar Pradesh government to facilitate investments as the electronics manufacturing and skill hub to cater to domestic demand and exports. The government has set a target to achieve US$ 300 billion of electronics manufacturing by 2025-26, out of which US$ 75-100 billion of electronics manufacturing is expected from UP.
- Mitsubishi Electric India would invest Rs. 1,891 crore (US$ 230.9 million) to build an air conditioner and compressor factory in Tamil Nadu. This facility will generate over 2,000 jobs, 60% of which will be held by women.
- Vedanta Group signed Memorandums of Understanding (MoUs) with 20 Korean companies from the display glass industry for the development of an electronics manufacturing hub in India. The MoUs were signed at the 'Korea Biz-Trade Show 2023' event organised by KOTRA, in collaboration with Korea's Ministry of Trade, Industry, and Energy.
- In November 2022, Voltas entered into a technology license agreement with Denmark’s Vestfrost Solutions to develop, manufacture, sell and service medical refrigeration and vaccine storage equipment including ice-lined refrigerators, vaccine freezers and ultra-low temperature freezers to the Indian market.
- Voltas announced plans of Rs. 400 crore (US$ 50.10 million) capex under the PLI scheme to manufacture components for white goods in May 2022.

- In March 2022, Reliance announced that it would invest US$ 220 million in a joint venture with Sanmina Corp, a US-listed company for making electronic products in Asian countries.
- According to sources, Apple Inc. 2021 manufactures 70% of mobile phones sold in India, a sharp increase from 30% recorded two years ago. This is a significant push towards the "Make in India" initiative, following the government's Production-Linked Incentive (PLI) plan, which began in FY21.
- In September 2021, tech giant Lenovo announced plans to ramp up manufacturing capabilities in India across various product categories, such as PCs, notebooks and smartphones, due to rising consumer demand. However, details of the investment were not disclosed.
- In September 2021, PG Electroplast, a contract manufacturer of electronic goods, announced that it had applied for a PLI scheme and pledged to invest Rs. 300 crore (US$ 40.47 million) towards the production of air conditioner components.
- Intel has invested over US$ 7 billion in design and R&D facilities in the country to date.
- As of March 03, 2021, 19 companies have filed for the Production-Linked Incentive (PLI) scheme for IT Hardware. The scheme was open for applications until April 30, 2021; its incentives will be available from April 01, 2021. Over the next four years, the scheme is expected to lead to total production of ~Rs. 160,000 crore (US$ 21.88 billion). Of the total production, IT hardware companies have proposed production of >Rs. 135,000 crore (US$ 18.46 billion); and domestic companies have proposed production of >Rs. 25,000 crore (US$ 3.42 billion).
- The government has set a target to get ~Rs. 18,000 crore (US$ 2.4 billion) investments in the electronics manufacturing segment by 2021-22.
- On February 16, 2021, Amazon announced that it will commence manufacturing electronics products from India with Cloud Network Technology, a subsidiary of Foxconn in Chennai, later in the year. The device manufacturing programme will be able to produce 'Fire TV Stick' devices in large quantities every year, catering to the demands of customers in India.

WORLDWIDE SMARTPHONE MARKET:

Major Export Destinations

The top five destinations for Indian electronic goods exports in FY25 (April-June) were: the USA, UAE, Netherlands, UK, and Italy. The USA was the largest destination of India's electronic goods exports followed by the UAE, accounting for 36% and 7% of the overall exports, respectively. For mobile phones exports from India, South Asia, Africa, and the Middle East are key importing markets. For the IT-ITeS services of India, the top three export destinations of India were the USA, the UK, and the EU. The country also exports these services to Asia Pacific regions, Latin America, and Middle East Asia and sees new opportunities emerging to expand services to continental Europe, Japan, China, and Africa. As per Reserve Bank of India (RBI) statistics, software services exports to the USA and Canada combined grew by 19.6% from US$ 86.9 billion in 2021-22 to US$ 103.9 billion in 2022-23, accounting for the largest share at 56% of the overall exports. This was followed by Europe accounting for 30.8% of the overall exports, valued at US$ 57.1 billion in 2022-23. The UK was the largest importer of Indian software services within Europe, accounting for 46% of exports to the Europe. Exports of Indian software services in Asia region were valued at US$ 12 billion, with a major share of East Asia exports valued at US$ 10.2 billion.



Source: NIRYAT portal

Government Initiatives

With the growing need for electronic goods, the Ministry of Electronics and Information Technology (MeitY) has implemented several production-linked incentives (PLI) to improve electronics production in India. The government has launched schemes such as the Manufacturing of Electronic Components and Semiconductors (SPECS), Modified Electronic Manufacturing Clusters (EMC 2.0), etc., to promote the country's electronic goods industry. To further develop and increase the market share of the Indian BPO industry, the Government of India has implemented schemes such as the Northeast BPO Promotion Scheme (NEBPC) and the India BPO Promotion Scheme (IBPS).

Software Technology Parks of India (STPI) Scheme
An autonomous society under the Ministry of Electronics and Information Technology is implementing the STPI scheme, which is a 100% export-oriented scheme for developing and exporting computer software, including exporting professional services using communication links or physical media. Apart from the above-mentioned specific schemes, the Government of India has taken several measures to offset infrastructural inefficiencies and associated costs to provide exporters with a level playing field.

Remission of Duties and taxes on Exported Products (RoDTEP)
Under this scheme, goods and products exporters are granted freely transferable duty credit scrips on realized FOB value of exports in free foreign exchange at a specified rate. Such duty credit scrips can be used to pay basic customs duties for importing inputs or goods.

Duty Exemption & Remission Schemes
These schemes enable duty-free import of inputs for export production with export obligation. These schemes consist of the Advance Authorization Scheme, Duty-Free Import Authorization (DFIA) Scheme, Interest Equalization Scheme (IES), Zero duty EPCG Scheme, Post Export EPCG Duty Credit Scrip Scheme, etc.

Source: https://www.ibef.org/exports/electronic-and-computer-software-industry-in-india
Source: https://ibef.org/industry/information-technology-india

INDIAN SMARTPHONE MARKET:

Government Initiatives

The Government of India has adopted a few initiatives for the ESDM sector in the recent past, some of these are as follows:

- In March 2024, Prime Minister Mr. Narendra Modi laid the foundation stone for three semiconductor plants, with a total investment exceeding Rs. 1.25 lakh crore (US$ 15.02 billion), positioning India to become a global semiconductor hub.
- The inaugural Future Skills Summit was organized by the Ministry of Electronics and Information Technology (MeitY) in collaboration with the National Institute of Electronics and IT (NIELIT) in Guwahati on February 15, 2024.
- Union Budget 2023-24 has allocated Rs. 16,549 crore (US$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US$ 1.73 billion) for the IT ministry.
- The Government attaches high priority to electronics hardware manufacturing, and it is one of the important pillars of both the “Make in India” and “Digital India” programmes of the Government of India.
- The National Policy on Electronics (NPE) 2019 envisions to position India as a global hub for ESDM by encouraging and driving capabilities in the Country for developing core components, including chipsets and by creating an enabling environment for the industry to compete globally.
- By 2030, ADIF, a think tank for IT start-ups, aims to put India among the top three start-up ecosystems in the world, with an emphasis on expanding the knowledge base, encouraging collaboration and outlining the best policies.
- As per the Union Budget 2022-23, the Ministry of Electronics and Information Technology (MeitY) has been allocated Rs. 14,300 crore (US$ 1.85 billion). In the allocated budget, revenue expenditure allocation is Rs. 13,911.99 crore (US$ 1.8 billion) and capital expenditure allocation is Rs. 388.01 crore (US$ 50.4 million).
- Ministry of Electronics & Information Technology (MeitY) has announced a “Scheme for Promotion of Semiconductor Eco-System” in India with a massive outlay of Rs. 76,000 crore (US$ 9.48 billion) in 2022.
- Under the Production-Linked Incentive (PLI) scheme for IT Hardware Products, the Ministry of Electronics and Information Technology has approved 14 qualified applicants. To manufacture these products in India, the government will offer incentives of US$ 983.76 million over the next four years. In this duration, production worth US$ 21.62 billion and exports of US$ 8.06 billion are expected.
- In September 2022, MeitY Startup Hub (MSH), an initiative of the Ministry of Electronics & Information Technology (MeitY), and Meta announced the launch of an accelerator programme to support and accelerate XR technology startups across India.
- As per the Union Budget 2022-23, the Ministry of Electronics and Information Technology (MeitY) has been allocated Rs. 14,300 crore (US$ 1.85 billion).
- In the allocated budget, revenue expenditure allocation is Rs. 13,911.99 crore (US$ 1.8 billion) and capital expenditure allocation is Rs. 388.01 crore (US$ 50.4 million).
- About 80% of the Production-Linked Incentive scheme (PLI) to encourage manufacturing in the country, which covers 14 industries and has a total investment of Rs. 3 lakh crore (US$ 38.99 billion) is concentrated in only three sectors: electronics, automobiles, and solar panel production.
- The PLI scheme for large-scale electronics manufacturing launched by the Ministry of Electronics and Information Technology (MeitY) in April 2020 has been extended from the existing five years band (FY21-FY25) to six years (FY21-FY26).
- In September 2021, India started discussions with Taiwan to alleviate the global semiconductor chip shortage. According to an exclusive Bloomberg report, this may bring chip production to South Asia by end-2021, coupled with tariff reductions on components used to make semiconductors.
- Officials from New Delhi and Taipei recently negotiated a proposal to set up a semiconductor facility worth US$ 7.5 billion in India; the facility will supply everything from 5G devices to electric cars.
- In September 2021, the Indian Institute of Technology Indore and the Confederation of Indian MSME in Electronics System Design and Manufacturing (ESDM) and Information Technology (CIMEI), signed a Memorandum of Understanding (MoU) to collaborate and share knowledge and best practices as well as offer technological support for the growth of Indian start-ups and SMEs.
- In May 2021, the cabinet, chaired by Prime Minister Mr. Narendra Modi, approved a proposal by the Department of Heavy Industries and Public Enterprises to implement the Production Linked Incentive (PLI) scheme 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage’ to achieve

manufacturing capacity of 50 GWh (Giga Watt Hour) of ACC and 5 GWh of 'Niche' ACC, with an outlay of Rs. 18,100 crore (US$ 2.47 billion).

- The key government initiatives such as 'Make in India' and 'Digital India' improved the country's EoDB. In 2021-22, the total budget allocation towards the 'Digital India' programme is Rs. 6,806.33 crore (US$ 936.19 million).
- To accelerate quantum computing-led research & development and enable new scientific discoveries, the Ministry of Electronics and Information Technology (MeitY), in collaboration with Amazon Web Services (AWS), will establish a quantum computing applications lab in the country.
- On November 11, 2020, the Union Cabinet approved the Production Linked Incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, and exports and promote the 'Atmanirbhar Bharat' initiative.
- A fund of Rs. 3.2 crore (US$ 433.46 thousand) for three years has been approved by the Department of Electronics, IT, BT, Science & Technology.
- Under the PLI scheme for IT Hardware, the approved enterprises are estimated to manufacture equipment worth >US$ 21.62 billion over the next four years. Of the total production, foreign companies have suggested production worth US$ 11.38 billion, whereas domestic enterprises have planned a production of US$ 10.20 billion.

Local electronics design and production are being positively influenced by ongoing domestic consumption, changing dynamics in the global supply chain, and a plethora of policy initiatives to assist indigenous manufacturing in the current period is most advantageous. The smooth implementation of new initiatives and the reversal of restrictive laws will go a long way toward boosting international business confidence in India's business environment and attracting manufacturing investments. In India, Sony, Samsung, LG Electronics, Panasonic, and other companies are the market leaders in the ESDM sector. Government efforts are concentrated on bridging the digital gap. Projects like "Digital India," "Smart Cities," "ePanchayats," "National Optical Fiber Network," etc. enhanced consumer demand for electronic goods around the nation. India's middle class is rapidly expanding, which has improved the affordability of electronics products. The demand for electronic goods has increased as consumers' preferences for products and devices with smart technology (like smart LED TVs) and inventive designs have changed and disposable incomes have increased. Continuous rise in personal disposable income in India increased to reach 2,410 in FY23, which is directly correlated with consumers' desire to spend money on electronics. Fueled by strong policy support, huge investments by public and private stakeholders and a spike in demand for electronic products, the ESDM sector in India has bright prospects ahead of it and is predicted to reach US$ 220 billion by 2025, expanding at 16.1% CAGR between 2019-2025.

Source: https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm

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OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statement that involve risks and uncertainties. You should read "Forward Looking Statements" beginning on page 18 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 31 and 258, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.

We have, in this Draft Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Information, and may not have been subjected to an audit or review by our Statutory Auditor. For further information, see "Financial Information" beginning on page 222. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Prospectus.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2025, 2024 and 2023, included herein is derived from the Restated Financial Information, included in this Draft Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to "we" or "us" mean Kanone Technologies Limited. For further information, relating to various defined terms used in our business operations, see "Definitions and Abbreviations" beginning on page 01.

Unless stated otherwise, industry and market data used in this section has been obtained or derived from publicly available information as well as industry publications and other sources for more information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" beginning on page 16..

OVERVIEW

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam having Corporate Identification Number U74999KL2021PTC071243. Subsequently, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on March 14, 2024 and the name of our Company was changed from "Kanone Technologies Private Limited" to "Kanone Technologies Limited", vide certificate of incorporation dated June 28, 2024 issued by the Registrar of Companies, Ernakulam having the Corporate Identification Number of the Company is U74999KL2021PLC071243.

Our Company is engaged in the wholesale trading, distribution, and export of consumer electronics, mobile phones, home appliances, and related accessories. Since inception, the Company has established a supply chain network that facilitates the sourcing and delivery of products across domestic and select international markets. The Company's operations are focused on efficient procurement from suppliers and distribution to customers at competitive pricing, supported by a logistics framework aimed at ensuring timely deliveries.

The Company's business model is based on direct sourcing from distributors, which helps ensure product authenticity and quality. It leverages bulk procurement to maintain cost efficiency. The procurement and

distribution activities are supported by a logistics and warehousing framework designed to facilitate timely and reliable fulfilment of customer orders.

The Company operates under the brand name "Kanone Technologies." Since the commencement of its operations, the Company has been engaged in export activities, also from January 2025 company has started e-commerce activity primarily focusing on mobile phones and accessories from established brands. Initial exports were directed to Dubai, routed through key transit hubs including Mumbai, Kochi, and Delhi. As of the date of this Draft Prospectus, approximately 90% of export shipments are transported by air, with the remainder shipped via sea through ports located in Mumbai and Kochi.

Company's Information:

The Promoters of the Company, **Mr. Faizal Bavaraparambil Abdul Khader, Mrs. Sruthi Muhammed Ali, and Mr. Anaz Abdul Khader Bavaraparambil**, have experience in the mobile and electronics industry. Kanone Technologies Limited was incorporated with the objective of addressing demand in the electronics export market.

The Company has operational presence in Kerala, Maharashtra, and Delhi to serve its customers in Dubai, Russia, and other Middle Eastern countries. It is engaged in the export and supply of smartphones, mobile accessories, and other electronic products to small, medium, and large enterprises. The Company commenced its export operations from Kochi, Kerala, and has subsequently expanded its sourcing and logistics network to include Delhi and Mumbai. All transactions are undertaken based on purchase order agreements entered into with customers in Dubai, which define the commercial terms, quality specifications, and delivery requirements.

The expansion of operations has been supported by the business network of the Promoters, enabling procurement from various states across India.

Over the past three financial years, the Company has reported growth in its business operations, as reflected in key operational and financial performance indicators for the respective periods.

BUSINESS PROCESS:

ORDER EXECUTION STAGES

Stage 1: Receipt of Purchase Order from Customer: Receipt of the purchase order from the customer and consequently review and order validation.

Stage 2: Selection of supplier: Once the customer's Purchase Order (PO) is validated and entered into the system, the next step is selecting the appropriate supplier to procure the required products.

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Stage 3: Issuing Purchase Orders to supplier: After selecting the supplier in Stage 2, the next step is to formally issue a Purchase Order (PO) to procure the required products.

Stage 4: Receipt of goods from supplier: Once the supplier ships the order, the next step is to receive and inspect the goods to ensure they meet the agreed terms and quality standards.

Stage 5: Packaging, labelling, and final quality check: After receiving and inspecting goods from the supplier, the next step is to ensure proper packaging, labeling, and quality checks before shipping the products to customers.

Stage 6: Sourcing of Shipment and Shipment: After packaging, labeling, and quality checks, the next step is to source the shipment carrier, arrange logistics, and dispatch the goods to the customer or distribution center.

E-COMMERCE BUSINESS PROCESS

1. Product Listing
The process begins with the listing our products. This involves uploading product details such as descriptions, images, pricing, and specifications to make them visible and available to customers browsing the platform.

2. Opt for Platform-Managed Warehousing & Fulfillment
To streamline logistics, we choose the platform-managed warehousing and fulfillment services. This option allows e-commerce company to handle storage, packaging, and delivery on behalf of us, ensuring efficient inventory management and faster order processing.

3. Inventory Dispatch
Once the fulfillment option is selected, we dispatch our products to the platform's designated warehouse. The inventory is securely stored and managed by the platform, ensuring products are readily available for quick shipment as soon as customer orders are received.

4. Order Processing & Fulfillment
When a customer places an order, the platform takes responsibility for processing it. This includes picking, packing, and shipping the product from its warehouse directly to the customer. The platform's logistics network ensures timely and reliable delivery, enhancing the buyer's experience.

5. Payment Settlement
After successful order delivery, the platform collects the payment from the customer and processes the settlement. The sale proceeds, after deducting applicable charges or commissions, are transferred to our business account, completing the transaction cycle.

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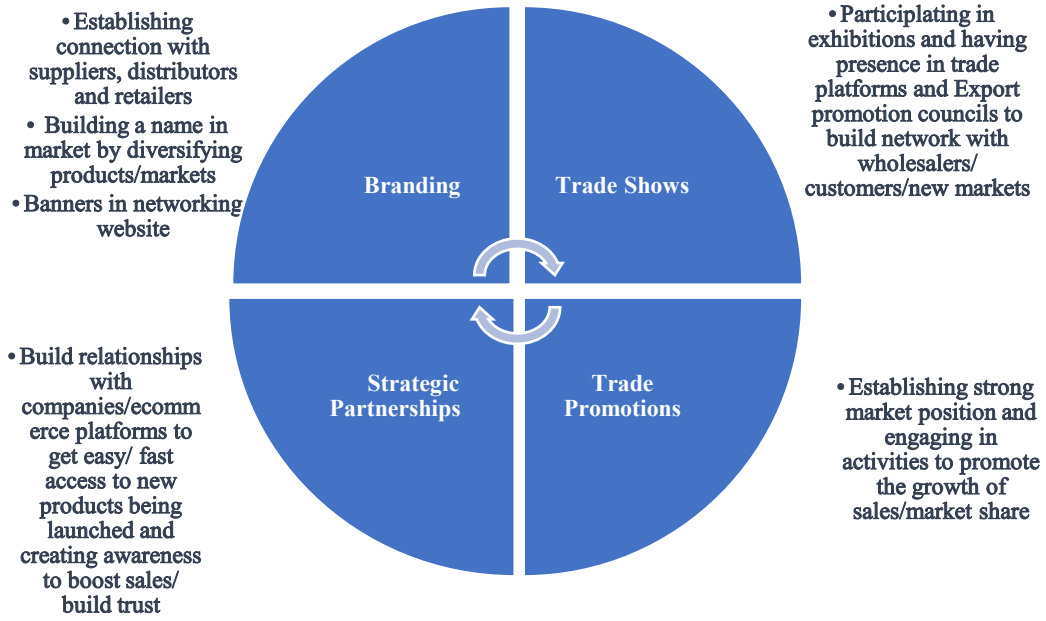
MARKETING STRATEGY

Marketing constitutes one of the key functional areas of the Company. The Company's operations are supported by its business relationships with suppliers and customers, some of whom have been associated with the Company over an extended period.



In order to maintain business relationships, the Promoters and the Company's marketing team regularly interact with customers and distributors to understand market requirements and customer preferences. The Company places emphasis on networking and market engagement as part of its overall marketing approach.

The Company intends to adopt various marketing strategies, including participation in trade exhibitions, networking events, and industry meetups involving exporters and suppliers across international markets. Further focus areas include strengthening presence in existing markets, expanding the global product and customer base, and allocating additional resources for market research.

As part of its international outreach efforts, the Company has participated in the following events:

- ITC Malta 2022
- Reconnect 2022, Athens
- GITEX Global, Dubai 2023
- Reconnect 2024, Greece
- GITEX Global, Dubai 2024
- GITEX Barcelona 2024
- GITEX Miami 2024

CAPACITY UTILIZATION

Kanone Technologies Limited is a trading company; there is no capacity and capacity utilization.

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EMPLOYEE ATTRITION RATE

Particulars	31 March, 2025	31 March, 2024	31 March, 2023
No. of employees at the beginning of the period	8	4	7
No. of employees at the end of the period	9	7	4
Average Employees	7	5.5	5.5
Employees Left during the year	4	2	4
Normal Attrition Rate (%)	57%	36.36%	72.73%
New Joining	5	5	1

Employees related cost:

Particular	2023-24	2023-24	2022-23
Employee Benefit Expenses	22.77	12.52	26.69
% Revenue	0.8%	0.03%	0.11%

**As certified by Kapish Jain & Associates, Chartered Accountants, Chartered Accountants, by way of their certificate dated September 24, 2025.*

TOP 10 SUPPLIERS

Details of our Company's Top 10 Suppliers for the Fiscal year 2025, 2024 and 2023 are as follows:

1. For Financial Year 2024-25			
S.No.	**Suppliers**	**Amount (Rs. in Lakhs)**	**Value in %**
1	Supplier-L	9,384.03	33.69%
2	Supplier-M	8,991.11	32.28%
3	Supplier-K	5,834.69	20.95%
4	Supplier-N	1,784.45	6.41%
5	Supplier-U	636.90	2.29%
6	Supplier-V	404.24	1.45%
7	Supplier-W	331.94	1.19%
8	Supplier-X	255.12	0.92%
9	Supplier-Y	133.98	0.48%
10	Supplier-Z	52.50	0.19%
Total		**27,808.96**	**99.83%**

2. For Financial Year 2023-24			
S. No.	**Suppliers**	**Amount (Rs. in Lakhs)**	**Value in %**
1	Supplier-K	14,243.84	34.02%
2	Supplier-L	11,273.40	26.93%
3	Supplier-M	10,482.22	25.04%
4	Supplier-N	5,556.62	13.27%
5	Supplier-O	302.12	0.72%
6	Supplier-P	3.23	0.01%
7	Supplier-Q	3.05	0.01%

8	Supplier-R	1.25	0.00%
9	Supplier-S	(1.40)	0.00%
10	Supplier-T	(0.09)	0.00%
Total		**41,864.23**	**100.00%**

3. For the Financial Year 2022-23			
S.No.	**Suppliers**	**Amount (Rs. in Lakhs)**	**Value in %**
1	Supplier-A	17,025.92	68.06%
2	Supplier-B	7,289.02	29.14%
3	Supplier-C	241.75	0.97%
4	Supplier-D	103.67	0.41%
5	Supplier-E	83.9	0.34%
6	Supplier-F	64.53	0.26%
7	Supplier-G	64.07	0.26%
8	Supplier-H	50.71	0.20%
9	Supplier-I	50.38	0.20%
10	Supplier-J	38.42	0.15%
Total		**25,012.37**	**99.98%**

TOP 10 CUSTOMERS

Details of our Company's Top 10 Customers for the Fiscal year 2025, 2024 and 2023 are as follows:

1. For the Financial Year 2024-25			
S. No.	**Customer**	**Amount (Rs. in Lakhs)**	**% of Turnover**
1	Customer-A	10,468.88	**37.67%**
2	Customer-M	6,506.37	**23.41%**
3	Customer-B	4,815.70	**17.33%**
4	Customer-R	1,107.93	**3.99%**
5	Customer-L	608.02	**2.19%**
6	Customer-K	587.83	**2.12%**
7	Customer-S	458.36	**1.65%**
8	Customer-T	332.93	**1.20%**
9	Customer-U	315.96	**1.14%**
10	Customer-V	278.51	**1.00%**
Total		**25,480.48**	**91.69%**

2. For the Financial Year 2023-24			
S. No.	**Customer**	**Amount (Rs. in Lakhs)**	**% of Turnover**
1	Customer-A	19,872.62	46.35%
2	Customer-K	11,361.64	26.50%

3	Customer-B	4,585.55	10.70%
4	Customer-L	3,320.86	7.75%
5	Customer-C	1,997.02	4.66%
6	Customer-M	1,279.62	2.98%
7	Customer-N	29.41	0.07%
8	Customer-O	18.74	0.04%
9	Customer-P	4.93	0.01%
10	Customer-Q	4.94	0.01%
Total		**42,475.33**	**99.08%**

For the Financial Year 2022-23			
S. No.	**Customer**	**Amount (Rs. in Lakhs)**	**% of Turnover**
1	Customer-A	12,156.99	48.08%
2	Customer-B	7,233.42	28.60%
3	Customer -C	4,341.78	17.17%
4	Customer-D	468.86	1.85%
5	Customer-E	213.69	0.85%
6	Customer-F	164.76	0.65%
7	Customer-G	135.91	0.54%
8	Customer-H	128.81	0.51%
9	Customer-I	108.13	0.43%
10	Customer-J	63.59	0.25%
Total		**25,015.94**	**98.93%**

GEOGRAPHICAL BREAKUP OF REVENUE

As on March 31, 2025, the geographical revenue bifurcation is as following:

(Amount in Lakhs)

Location	**For the period ended 31st March, 2025**	**% of revenue**	**For the period ended 31st March, 2024**	**% of revenue**	**For the period ended 31st March, 2023**	**% of revenue**
Domestic						
Kerala	-	-	18.95	0.04%	319.90	1.27%
Maharashtra	1,517.87	5.46%	32.07	0.08%	231.46	0.92%
Delhi	1,090.44	3.92%	-	-	63.59	0.25%
Gujrat	243.33	0.88%	-	-	468.86	1.85%
Uttar Pradesh	-	-	-	-	4.86	0.02%
Haryana	315.96	1.14%	-	-	-	-

Telangana	23.37	0.08%	-	-	-	-
West Bengal	45.86	0.17%	-	-	-	-
Total (A)	**3,236.84**	**11.65%**	**51.01**	**0.12%**	**1,088.67**	**4.31%**
Exports						
Dubai	22,379.5	80.53%	39,489.94	92.11%	24,198.67	95.69%
Iraq	608.02	2.19%	3,320.86	7.75%	-	-
Russia	458.36	1.65%	-	-	-	-
China	-	-	9.87	0.02%	-	-
Total (B)	**23,445.88**	**84.37%**	**42,820.67**	**99.88%**	**24,198.67**	**95.69%**
E-COMMERCE						
B2B and B2C (C)	**1,108.04**	**3.99%**	**-**	**-**	**-**	**-**
Total (A+B+C)	**27789.75**	**100.00%**	**42,871.68**	**100.00%**	**25,287.34**	**100.00%**

**As certified by Kapish Jain & Associates, Chartered Accountants, Chartered Accountants, by way of their certificate dated September 24, 2025 vide, UDIN: 25512562BMIGOL8886.*

PRODUCT WISE SALE AND PURCHASE BREAKUP

1. For the period ended 31st March, 2025

(Amount in Lakhs expect QTY)

S. No.	Product	Sale			Purchase		
		Qty	Value	% of Revenue	Qty	Value	% of Revenue
1.	**Mobiles**	117586	27,042.71	97.31%	122980	27009.94	96.96%
2.	**Insta camera/Films**	1080	6.16	0.02%	1080	6.07	0.02%
3.	**Airpods**	5051	332.87	1.20%	5051	320.70	1.15%
4.	**Macbooks/IPAD**	499	203.00	0.73%	499	193.76	0.70%
5.	**LED TV**	2237	173.83	0.63%	2237	173.31	0.62%
6.	**Robot Vaccum-Mop**	426	24.18	0.09%	1009	66.45	0.24%
7.	**AC**	-	-	-	2	0.52	0.00%
8.	**Trimmer**	514	7.71	0.03%	8252	84.67	0.30%
	Total	**1,27,393**	**27790.46**	**100%**	**1,41,110**	**27,855.44**	**100%**

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2. **For the period ended 31st March, 2024**

(Amount in Lakhs except QTY)

S. No.	Product	Sale			Purchase		
		Qty	Value	% of revenue	Qty	Value	%
1.	Mobiles	109421	42,529.29	99.20%	36,276	13,807.75	98.63%
2.	Hair Dryers	1037	332.41	0.78%		-	0.00%
3.	Insta camera/Films	-	-	-	1080	6.07	0.04%
4.	Airpods	-	-	-	2051	140.96	1.01%
5.	Macbooks/IPAD	-	-	-	175	44.96	0.32%
6.	Silica Quartz	50	9.98	0.02%		-	0.00%
7.	WA 1000 (Air Purifiers)				2	0.34	0.00%
	Total	**110508**	**42,871.68**	**100.00%**	**110,866**	**41,843.08**	**100.00%**

3. **For the period ended 31st March, 2023**

(Amount in Lakhs Except Qty)

S. No.	Product	Sale			Purchase		
		Qty	Value	% of revenue	Qty	value	%
1.	Mobiles	186911	23,564.66	93.19%	187,395	23,345.76	93.32%
2.	Hair Dryers	3858	1,310.87	5.18%	3858	1,277.45	5.11%
3.	Speakers	11720	244.64	0.97%	1059	231.44	0.93%
4.	Insta camera/Films	665	113.55	0.45%	11720	109.33	0.44%
5.	Smart Watch	154	14.50	0.06%	154	14.34	0.06%
6.	Airpods	1059	39.11	0.15%	666	38.11	0.15%
	Total	**204367**	**25,287.34**	**100.00%**	**204,852**	**25,016.44**	**100.00%**

**As certified by Kapish Jain & Associates, Chartered Accountants, Chartered Accountants, by way of their certificate dated September 24, 2025.*

KEY PERFORMANCE INDICATORS OF OUR COMPANY

(Amount in lakh, except EPS, % and ratios)

Particulars	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Revenue from operations [(1)]	27,790.46	42,871.68	25,287.34
Revenue CAGR (%) from F.Y. 2023-2025[(2)]	*4.83%*		
EBITDA [(3)]	523.88	547.52	106.98
EBITDA (%) Margin [(4)]	1.89%	1.28%	0.42%
EBITDA CAGR (%) from F.Y. 2023-2025[(5)]	*121.28%*		

EBIT [6]	846.46	977.55	524.33
ROCE (%) [7]	44.96%	95.88%	175.75%
Current ratio [8]	1.50	1.53	1.17
Operating cash flow [9]	115.75	(1,627.12)	(788.18)
PAT [10]	428.57	614.23	352.05
PAT Margin [11]	1.54%	1.43%	1.39%
Net Worth [12]	1,681.17	1,252.60	474.26
ROE/ RONW [13]	29.22%	71.14%	118.05%
EPS [14]	4.51	11.17	7.75
Debt/Equity ratio [15]	1.88	2.10	1.74

Notes:

(1) Revenue from operations is the revenue generated from operations by our Company.

(2) Revenue CAGR: The three-year compound annual growth rate in Revenue.

[(Ending Value/Beginning Value) ^ (1/N)]-1

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

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

(5) EBITDA CAGR: The three-year compound annual growth rate in EBITDA. [(Ending Value/Beginning Value) ^ (1/N)]-1

(6) EBIT is Earnings before Finance Cost and taxes.

(7) ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined as shareholders' equity plus long-term debt.

(8) Current Ratio: Current Asset over Current Liabilities.

(9) Operating Cash Flow: Net cash inflow from operating activities.

(10) PAT is mentioned as profit after tax for the period.

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

(12) Net Worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

(13) ROE: Return on Equity is calculated as PAT divided by average shareholders' equity.

(14) EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares.

(15) Debt to Equity ratio is calculated as total debt divided by shareholders' equity.

COMPETITIVE STRENGTHS AND STRATEGY

- **Experienced management team with proven project management and implementation skills.**

The management team has experience in trading of various electronic products, quality control, strategy, material sourcing, and business development. This experience has contributed to the expansion of the company's geographical reach and customer base in both existing and target markets.

The management team has played a role in improving the company's financial performance over time and in increasing the range of products and markets. Based on their past experience, the team is expected to continue implementing the company's strategic and operational plans. The current management structure supports the ongoing growth and development of the business.

KANONE

- **Diversified product portfolio:**

Our Company is catering to various segments of mobiles, accessories, audio speakers, insta cameras and films and consumer durables which are independent to each other. Our Company has been able to cater to the customers of each segment and any slowdown in any specific industry will not impact the overall revenue of the Company.

Our Company is in electronics goods trading and export segment thereby enabling it to strategize and switch over exports from one commodity to another in accordance with change in demand or inconsistency in pricing for any commodity during any season.

Our management team continuously monitors and undertakes research of the current trends and demand of overseas electronics commodities in the market and accordingly it easily switches over to the products in demand. This policy adopted by the management ensures that the company does not pass through a lean period during the year.

- **Optimal product mix and strong supply chain.**

The company offers a diversified product portfolio and operates in multiple markets. Its supplier network spans various regions in India, which facilitates sourcing of products from locations where they are readily available, thereby aiding in procurement efficiency.

The company has implemented inventory and receivable management practices, along with a standardized procurement system, to support its working capital management. The team regularly evaluates sourcing options based on quality and pricing parameters to enhance supplier relationships.

- **Long term relationship with clients and repeated orders.**

The company's client base includes customers located both in India and overseas. Some of these clients have had long-standing business relationships with the company. The company seeks to address client requirements as part of its regular business operations. The existing client network has contributed to business growth and expansion into international markets.

- **Quality Assurance and Standards:**

The company monitors the quality of the products it sells and seeks to ensure compliance with applicable quality standards and practices. A team is assigned to oversee adherence to such practices in accordance with internal guidelines and industry norms.

- **Improving Supply chain/ operational efficiencies**

The company is working on improving operational efficiency and has participated in exhibitions. It aims to increase its presence in current regions and introduce new products, which may support entry into new geographies and more efficient utilization of existing infrastructure.

The company intends to enhance market share and profitability through process improvements and customer service. The company engages with customers to inform sourcing methods, to identify new partnerships, and to meet customer supply chain requirements.

KANONE

- **Focusing on increasing the exports as well in ecommerce.**

The company's primary export markets for electronic products are the UAE and certain Asian countries. With additional capital, the company plans to expand exports to European and Latin American regions and to increase volumes, introduce new products, and add brands. The company has participated in exhibitions such as Gitex Barcelona 2024 and Gitex Miami 2024.

The company has introduced a new business vertical for trading through an e-commerce website. Operating via e-commerce is expected to broaden reach and provide more flexibility in marketing and distribution.

PRODUCT PORTFOLIO

Our portfolio covers multiple categories of electronic goods, including:

1. **Smartphones & Tablets**
   The company offers mobile phones in entry-level and mid-range segments. It also supplies laptops and tablets from various brands to meet different usage needs such as entertainment, productivity, and creative work.

2. **Wearable Technology**
   The company offers smartwatches and fitness trackers sourced from various brands. These devices include features such as real-time health data monitoring, GPS tracking, and smartphone connectivity, providing options for users seeking wearable technology for basic health tracking and connectivity.

3. **Audio & Visual Equipment**
   The company offers audio-visual equipment including headphones, earphones, microphones, speakers, projectors, and display screens. These products are suited for both personal and professional settings. The range is intended to support use cases such as presentations, home theatre setups, or other scenarios requiring reliable sound and display performance.

4. **Home Appliances & Lifestyle Electronics**
   The company offers a range of home appliances and lifestyle electronics sourced from various brands. The product selection includes kitchen appliances such as electric kettles, toasters, and microwave ovens, as well as personal care devices like hair dryers and trimmers. These products are designed for everyday use, aiming to meet basic functional needs in household and personal care routines.

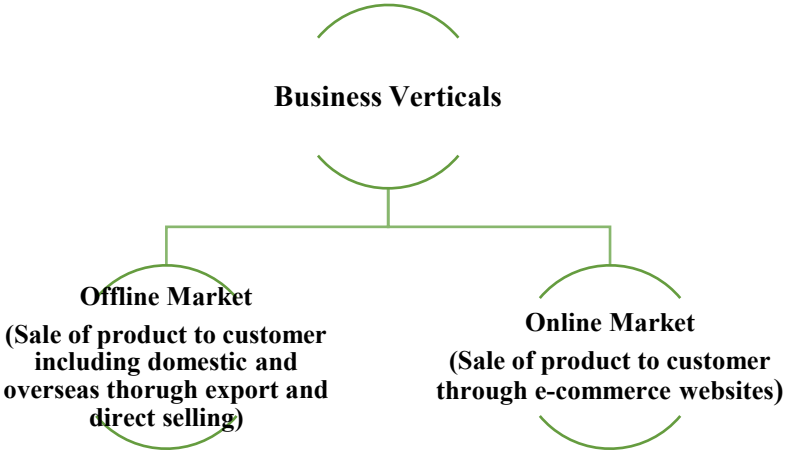
5. **Communication Devices & Accessories**
   The company offers a range of communication devices and accessories, including routers, modems, chargers, cables, protective cases, power banks, and memory storage devices. These products are sourced from various brands and are designed to support users' connectivity and mobile needs in both home and office environments.

6. **Emerging Product Lines**
   The company offers a range of emerging product lines, including gaming consoles and accessories, as well as smart home devices. The gaming consoles are designed to provide interactive entertainment experiences, while the smart home devices aim to enhance convenience, security, and energy efficiency in household settings. These products are sourced from various brands and are intended to meet the evolving technology needs of users.

KANONE

BUSINESS VERTICAL

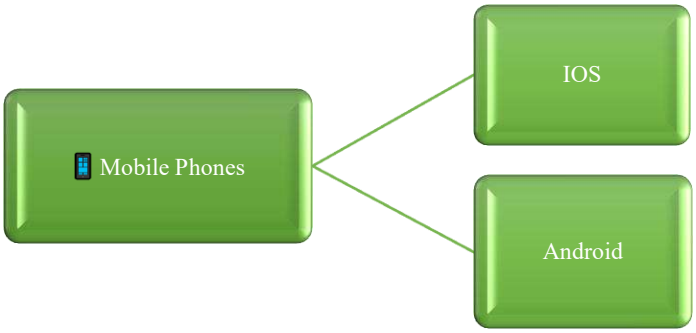
The company has two business verticals i.e. Offline Market and Online Market.



Our product Range in offline market and online market:

I. Offline Market:

1. Smart Phones and Tablets *(90-99% of Revenue)*:
Our Company is the exporter and supplier of the leading smartphone brands of the world. The Company is into the export and supply of phones from popular to Dubai Via Mumbai, Kochi and Delhi ports.



2. Hair Dryers/ Vacuum
Our product lineup includes a diverse range of Hair Dryers and Vaccum. Our company export and supply of hair dryers, and Vaccum cleaners renowned for their pioneering technology and superior performance in maintaining cleanliness.

3. Accessories:
Complementing our mobile devices, we provide an extensive array of accessories that cater to the varied needs of our customers. Our accessory offerings include Ear Pods, Mobile Chargers, Mobile Covers, Bluetooth Earplugs, Speakers, USB cables, Insta camera & film and more. These accessories are sourced from reputable brands, ensuring quality, durability, and compatibility with a wide range of devices.

ACCESSORIES	• Ear Pods • Mobile Chargers • Mobile Covers • Bluetooth Earplugs • Speakers • USB cables

II. Online Market:

E-commerce: In the last quarter of the financial year 2024-25, our company successfully launched the sale of its products through e-commerce websites. While exports continue to be the core pillar of our business, Kanone is now strategically focusing on scaling up its e-commerce operations to drive substantial growth in the coming years.

Our Company is selling same range of products which it is selling in the offline market. Products Listed Online includes:

- *Mobile Phones*
- *Robotic Vacuum Cleaners*
- *Accessories*
- *Small Appliances*

Strategic Rationale for Business Diversification in e-commerce:

Expanding into e-commerce presents several strategic advantages for Kanone:

- The e-commerce sector accounts for approximately 40-45% of the total Indian retail market, highlighting its significant role in the country's retail landscape.
- Diversification of Revenue Streams and spreading/ managing risks
- Increased Profit Margins due to better pricing control
- Brand Visibility and Market Reach
- Inventory optimization.
- Entering the e-commerce sector will enable us to stay continuously updated on market trends, evolving consumer preferences, and emerging product innovations, ensuring agility and competitiveness in the industry.

UTILITIES AND WATER

POWER

Our business does not have heavy electricity consumption, except to cater to normal requirements of the offices /showrooms. We sufficient sanctioned consumption limits from State Electricity Boards of respective state where our offices, branch offices are situated.

WATER

Water is required only for drinking and sanitary purpose and adequate water resources are available at the existing premises.

PACKING

Our company is engaged in the business of trading of consumer durable electronic goods. Hence, details with regards to Packing is not applicable to us.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards.

Our Company has taken following insurance policies against any damage or loss:

S. No	Insurance Company	Policy No.	Party Insured	Sum insured (in Rs.)	Premium Paid (in Rs.)	Details	Period
1.	ECGC LTD	0080004498	Single buyer Exposure policy	2,00,00,000.00	1,62,000.00	SBE and Commercial and Political Risks	From 20-11-24 To 19-11-25
2.	SBI General Insurance	0000000036 627125-01	Marine Sales Turnover Policy	1,00,00,00,000.00	1,94,700.00	Mobilehones and Mobile Accessories, LED and Smart TV, IOT products, Computers and Laptops	From 08-12-2024 to 07-12-2025
3.	SBI General Insurance	0000000028 200255-03	Standard Fire & Special Perils	11,10,00,000.00	65,498.18	Stocks, Location, Stocks work-in-progress	From 01-05-2025 to 30-04-2026
4.	SBI General Insurance	0000000036 627125-01	Marine Sales Turnover Insurance Policy	1,00,00,00,000.00	1,94,700.00	Mobile Phones and Mobile Accessories, LED and Smart TV, IOT products, Computers and Laptops	From 08-12-2024 to 07-12-2025
5.	SBI General Insurance	0000000039 105325-01	Burglary Insurance Policy	11,10,00,000.00	9,503.00	Stocks, Stocks work-in-progress	From 01-05-2025 to 30-04-2026

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. As of September 20th 2025, there are total of 11 employees. all of which are on payroll basis and none of them are employees are on contract basis. We have encountered no significant work disruptions to date and we believe that we have maintained good relations with our employees.

KANONE

DEPARTMENT WISE BREAK-UP

Count of Employee Code Department	No. of Employees As on September 20th 2025
Finance & Accounts Department	2
Operations Department	1
Human Resource Department	1
Sales & Marketing Department	2
Purchase & Procurement Department	1
Legal and Compliance Department	1
Logistics Department	1
Management	2
Grand Total	**11**

GEOGRAPHICAL REACH

The Company operates from its head office in Kochi, Kerala, we operate branch offices in Pune and Maharashtra enabling a wider procurement and distribution footprint. While we cater to customers across India, we have an export orientation, with consignments shipped to the United Arab Emirates (UAE), particularly Dubai, as well as to emerging markets in Iraq, Russia and China. Exports are handled primarily through air freight (approximately 90% of volumes) via ports in Mumbai and Kochi, with the balance through sea routes.

SWOT ANALYSIS

STRENGTHS (S):	WEAKNESSES (W):
• **Established Market Presence:** Prior experience in electronics and mobile trading industry provides a strong foundation and industry knowledge. • **Product Portfolio** – Diverse range of electronics catering to various markets. • **Supplier & Vendor Relationships:** Existing relationships with suppliers ensure access to quality products at competitive prices. • **Logistics & Distribution Network:** Already has experience in international trade, and supply chain management.	• **Dependence on Specific Markets** – Overreliance on particular countries/regions may increase risk. • **Thin Margins** – Electronics trading often operates on low margins, making profitability challenging due to cut throat competition. • **Inventory & Supply Chain Issues** – Any disruptions in global geo political market may affect revenue • **Competitive Market:** With the presence of more exporters, the business phases tough competition w.r.t pricing. Also, online electronics sales have strong competition from giants like Amazon and dedicated online retailers.
OPPORTUNITIES (O):	**THREATS (T):**
• **Emerging Markets** – Expansion into new geographies with growing demand for electronics. • **Diversification of products and services.** • **E-commerce Boom** – Partnering with online marketplaces to reach more consumers. • **Government Incentives** – Leveraging export incentives for cost benefits.	• **Global Economic Slowdown** – Weak demand in key export markets could further impact sales. • **Currency Fluctuations** – Unstable exchange rates could erode margins. • **Trade Restrictions & Tariffs** – Policy changes, import duties, or geopolitical risks affecting exports.

	• **Price Wars & Thin Margins:** Discount-based strategies from competitors can make profitability difficult. • **Logistics & Delivery Challenges:** Ensuring fast and efficient delivery, especially if expanding internationally.

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KANONE

PLACE OF BUSINESS

Sl. No.	Location	Address	Total Area (Sq. m)	Lease/ Owned	Usage Purpose	Lease Tenure	Lease Rent	Name of Transferer/ Lessor	Date of Agreement
1.	Kerala	B4(1), 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala P.O Ernakulam, Kerala, India, 682028	69.6773	Lease	Registered Office	11 months	20,180/- PM the rent will be enhanced @8% per eleventh months	Mr. K.R. Pradeep Kumar	11/08/2025
2.	Pune	Office No. 3060, 3rd Floor, Marvel Fuego, Magarpatta City Road, Hadapasar, Pune, 411028	37.1612	Lease	Branch Office	60 Months	Rs. 30000/- per month for the first 12 months, Rs. 31500/- per month for the next 12 months, Rs. 33075/- per month for the next 12 months, Rs. 34728/- per month for the next 12 months, Rs. 36464/- per month for the next 12 months.	Mr. Noel D Souza	20/01/2025
3.	Delhi	38, Khemchand Market, khanpur, Mehrauli Badarpur Road, New Delhi	18.5806	Lease	Branch Office	11 Months	Rs. 7,500/- per month	Mr. Natwar Lal Agrawal	19/02/2025
4.	Delhi	Plot No. Ground Floor, Block-A3, Chanakya Place Part-1, Sitapuri, Near Popli Hospital, Uttam Nagar, New Delhi-110059	18.5880	Lease	Branch Office	11 Months	Rs. 9000/- Per Month.	Raju	08/09/2025

The Company operates co-working spaces across multiple locations in India, including **Hyderabad, Punjab, Bengaluru, Bhopal, Bihar, Gurugram, Kolkata, Noida, Odisha and Tiruchirappalli. These centers are strategically established to cater to diverse business requirements and to enhance our pan-India presence.*

KANONE

LAND AND PROPERTIES

The details of the freehold and leasehold properties in the name of Kanone Technologies Limited as on the date of this Draft Prospectus is provided herein below:

S. No.	Address	Details of the Agreements	Area (Sq mtr.)	Usage	Possession Type	Validity	Owned/ leased	Details of Transferor/Lessor	Consideration (Rs.)	Relation with Transferor/Lessor with any promoter or directors of the company if any
1	1 BHK, Area Beaing No. 806 on the 8th Floor at Serene near Mukai Chowk, Ravet, (Mamurdi), Pune	Sale Agreement dtd 26 July 2024	46.56	Will be used as the Guest House	Under construction	NA	Owned	Godrej Skyline Developers Private Limited	4,218,568*	None
2	Sy. No.43/5A of Edappally South Village, Ernakulam, Kerala.	Sale agreement dtd 18 July 2024 and Sale deed dated 14 Jan 2025	732	Will be used for the construction of the State of Art cum warehouse building	Owned	NA	Owned	C N Ramachandran	3,43,71,000	None

*As on March 31st, 2025 the Company has paid Rs. 14.91 lakhs and balance payment will be paid by Company as per the payment schedule of Godrej Skyline Developers Private Limited

KANONE

OUR WAREHOUSE FACILITY

S. no.	State	location (Address)	Total Area	Usage Purpose	Date of agreement	Lease period	Rent Amount	Owned/Leased	Lessor
1	Mumbai Warehouse	Unit No- 5 Industrial, Nahar & Seth C/o IP Express Cargo, Estate Cardinal Gracious Road Chakala, Mumbai, Maharashtra - 400099	100 sq. ft	For Exports and local sales	September 16, 2025	NA*	Rs. 5000 P.M	Leased	I P Express Cargo
2	Delhi Warehouse	Office no 125-ground floor Khasra no 1028/1 road no 6, near grand shoba hotel mahipalpur. New Delhi – 110037	100 sq. ft	For Exports and local sales	September 16, 2025	24 Months	Rs. 5000 P.M	Leased	I P Express Cargo
	Total		**200 sq. ft**						

* *The company has been continuously using the warehouse, and no specific period has been stipulated in the agreement and the company shall use the warehouse unless terminated in accordance with the terms and conditions of Warehousing & Distribution Agreement.*

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KANONE

FINANCIAL ACHIEVEMENTS OF THE COMPANY

Amount (Rs. in Lakhs)

Particulars	Financial Year 2024-25	Financial year 2023-24	Financial year 2022-23
Share Capital	949.31	209.10	100.00
Reserves & Surplus	731.86	1043.50	374.26
Net Worth	1,681.17	1252.60	474.26
Total Income	28,115.30	43,303.08	25,706.77
PAT	428.57	614.23	352.05

(For further details, please refer chapter "Financial statement as Restated" beginning from page no. 222 of this draft prospectus.)

LOGISTICS

We outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided between the customer and Company. We have established reliable logistics partnerships to support our export operations. We have secured comprehensive logistics contracts with trusted service providers, ensuring efficient and timely transportation, customs clearance and delivery of goods to international markets. These contracts allow us to offer seamless end-to-end logistics solutions, ensuring that our clients benefit from a smooth and reliable export process.

Sl. No.	Location	Usage Purpose	Name of Service Provider	Date of Agreement
1.	Delhi	Warehousing/Courier/Transporation & Distribution Servces	IP Express Cargo represented by Mr. Irfan Kachalia	16/09/2025
2.	Maharashtra	Distribution & Transportation of Goods	IP Express Cargo represented by Mr. Irfan Kachalia	16/09/2025

EXPORT AND EXPORT OBLIGATION

More than 50 % of the total revenue of the company is come from the export.

For more details, please see geographical wise revenue in the chapter titled "Our business" on page 151 of this draft prospectus.

DOMAIN NAME

As on the date of this Draft Prospectus, our Company has the following domain:

DOMAIN NAME AND ID	SPONSORING REGISTRAR	DOMAIN ID	CREATION DATE	REGISTRY EXPIRY DATE
www.kanone.in	Key-Systems GmbH	DB2B54326280248E BA351919F99A2FDB4-IN	6-Nov-2021	6-Nov-2025

KANONE

DETAILS OF INDEBTEDNESS

As on the date of this Draft Prospectus, the details of the credit facilities availed by our Company from banks are as follows:

Name of Lender	Purpose	Sanctioned Amount (Rs. in Lakhs)	Outstanding As on 31/03/2025
Secured Loan			
State Bank of India EPC	Working Capital	2,000.00	1,996.89
Kotak Mahindra Bank	Working Capital	240.00	237.32
State Bank of India CC/OD	Working Capital	150.00	150.26
State Bank of India Bill Discounting	Working Capital	200.00	200.00
Kotak Mahindra Bank- Property Loan	Commercial Property Purchase	307.00	257.00
Total		**2,897.00**	**2,841.47**
Unsecured Loan			
-Faizal BA (Loans from Directors and relatives)	Business		324.72

For more details of other indebtedness please refer "Restated Financials Information" beginning from page no. 222 of Draft Prospectus.

INTELLECTUAL PROPERTY RIGHTS:

As on the date of this Draft Prospectus, our Company have following Trade Marks:

Sr. No.	Application Number	Trademark	Class	Date of Registration / application /Renewal application	Status	Validity	Use of Trademark
1.		5784285	Class 9	30th January, 2023	Registered	30th January, 2033	Retail, Wholesale, Export, Import and Online sale of mobile, accessories
2.		5784286	Class 11	30th January, 2023	Registered	30th January, 2033	Installations For Lighting, Heating, Steam Generating, Cooking, Refrigerating, Drying, Ventilating
3.		5784287	Class 35	30th January, 2023	Registered	30th January, 2033	Retail, Wholesale, Export, Import and Online sale of mobile, accessories

4.	KANONE	6318189	Class 9	23rd February, 2024	Registered	23rd February, 2034	Retail, Wholesale, Export, Import and Online sale of mobile, accessories
5.	KANONE	6318190	Class 35	23rd February, 2024	Registered	23rd February, 2034	Retail, Wholesale, Export, Import and Online sale of mobile, accessories

NOTE: SOME REGISTRATIONS ARE IN THE NAME OF KANONE TECHONOLGIES PRIVATE LIMITED AND THE COMPANY IS IN PROCESS OF TAKING ALL THE APPROVALS IN THE NEW NAME OF THE COMPANY I.E., KANONE TECHNOLOGIES LIMITED.

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KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on 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.

Key Legislations Applicable to our Business

A) RELATED TO THE BUSINESS OF THE COMPANY

(i) The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 is a key legislation in India that governs contracts related to the sale of goods. It defines the rights, duties, and obligations of buyers and sellers in a contract for the sale of movable property. The Act classifies a sale as a contract wherein the seller transfers or agrees to transfer the ownership of goods to the buyer for a price. It distinguishes between a sale and an agreement to sell, where a sale transfers immediate ownership, whereas an agreement to sell creates a future obligation contingent on specific conditions. Additionally, the Act lays down essential conditions and warranties, specifying which terms in a contract are fundamental to its performance and which are collateral.

The Act also addresses various aspects such as the passing of property, delivery of goods, rights of an unpaid seller, and remedies for breach of contract. It mandates that goods sold must conform to the contract description and be of merchantable quality unless expressly agreed otherwise. It also protects buyers against defects and unfair trade practices. Furthermore, the Act ensures that sellers have the right to receive payment and recover damages in case of a buyer's default, thereby balancing the interests of both parties.

(ii) The Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012

The Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 was introduced by the Ministry of Electronics and Information Technology (MeitY) under the Bureau of Indian Standards (BIS) framework to regulate the safety and quality of electronic and IT products sold in India. This Order mandates that certain categories of electronic goods must comply with specified Indian safety standards and obtain compulsory registration before being manufactured, imported, distributed, or sold in the Indian market. The regulation applies to a wide range of products, including mobile phones, televisions, laptops, printers, LED lights, and various other electronic devices. Manufacturers are required to get their products tested by BIS-recognized laboratories and obtain registration under the Compulsory Registration Scheme (CRS) to ensure compliance.

The Order aims to prevent substandard and unsafe electronic products from entering the Indian market, thereby safeguarding consumer interests and ensuring product reliability. Non-compliance with this regulation can result in penalties, including product seizures and legal action against

manufacturers or importers. The BIS enforces the registration process and conducts surveillance to monitor compliance. The regulation plays a crucial role in maintaining safety standards, encouraging local manufacturing, and fostering trust in electronic goods available in India.

(iii) The Mines and Minerals (Development and Regulation) Act, 1957

The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) is the principal legislation governing the regulation, development, and sustainable mining of minerals in India. The Act provides a legal framework for the reconnaissance, prospecting, and extraction of minerals, excluding petroleum and natural gas, which are regulated under separate laws. It classifies minerals into major minerals (such as coal, iron ore, and bauxite) and minor minerals (such as sand, gravel, and limestone) and lays down provisions for granting mining leases, prospecting licenses, and mineral concessions. The Act empowers both the Central and State Governments to regulate the mining industry, ensuring that mineral resources are extracted efficiently while safeguarding environmental and social concerns.

The MMDR Act has been amended multiple times to promote transparency, private sector participation, and sustainable mining practices. The introduction of the auction-based allocation system for mining leases has enhanced fairness and revenue generation for the government. Additionally, the Act includes provisions to penalize illegal mining and regulate mine closure to mitigate environmental damage. It also promotes the welfare of communities affected by mining activities through mechanisms like the District Mineral Foundation (DMF). The Act plays a crucial role in balancing economic growth with responsible mineral resource management in India.

(iv) The Mineral Conservation and Development Rules, 2017

The Mineral Conservation and Development Rules, 2017 (MCDR) were enacted under the Mines and Minerals (Development and Regulation) Act, 1957 to regulate the systematic and scientific mining of minerals while ensuring environmental sustainability. These rules apply to all minerals except minor minerals, coal, and atomic minerals. The MCDR mandates that mining leaseholders adopt best practices for mineral conservation, sustainable mining, and environmental protection. It requires leaseholders to prepare and adhere to Mining Plans and Progressive Mine Closure Plans, which must be approved by the Indian Bureau of Mines (IBM). The rules also emphasize the efficient utilization of mineral resources, minimizing wastage, and preventing unauthorized extraction.

The 2017 rules introduced stricter compliance requirements, including digital reporting of mining operations, star ratings for mines based on environmental and safety performance, and penalties for violations. They also mandate the implementation of sustainable development initiatives, such as afforestation, water conservation, and biodiversity protection. Mining entities are required to submit periodic reports detailing production, dispatch, and environmental impact measures. Non-compliance can lead to penalties, suspension, or termination of mining leases. The MCDR, 2017 plays a crucial role in ensuring responsible mining practices while balancing industrial growth with ecological conservation.

(v) The Foreign Trade (Development and Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992 (FTDR Act) was enacted to provide a comprehensive legal framework for the development and regulation of foreign trade in India. It empowers the Central Government to formulate and implement policies for exports and imports,

ensuring that trade operations align with national interests and economic policies. The Act grants the government the authority to regulate, restrict, or prohibit the import or export of goods and services in the interest of national security, public order, and environmental protection. It also establishes the framework for issuing, amending, suspending, or canceling licenses and permits required for foreign trade transactions.

Under the FTDR Act, the Directorate General of Foreign Trade (DGFT) is the designated authority responsible for implementing trade policies, granting licenses, and ensuring compliance with export-import regulations. The Act includes provisions to promote exports, regulate restricted or prohibited goods, and enforce trade agreements with other nations. Violations of its provisions, including unauthorized trade activities or non-compliance with licensing conditions, attract penalties, including fines and imprisonment. The Act plays a crucial role in facilitating India's global trade engagements, supporting export-oriented industries, and ensuring that trade practices adhere to international obligations and national economic objectives.

(vi) The Directorate General of Foreign Trade (DGFT) Regulations

The Directorate General of Foreign Trade (DGFT) Regulations govern the administration and regulation of India's foreign trade policies under the framework of the Foreign Trade (Development and Regulation) Act, 1992. DGFT is the nodal authority responsible for formulating and implementing India's export-import policies, ensuring trade facilitation, and promoting international commerce. It issues licenses, permissions, and certificates required for trade operations and maintains the Foreign Trade Policy (FTP), which outlines incentives, restrictions, and compliance measures for exporters and importers. The regulations cover various aspects, including duty exemptions, export promotion schemes, import restrictions, and trade compliance requirements.

The DGFT regulations mandate that businesses engaged in international trade obtain an Importer Exporter Code (IEC), which is essential for conducting cross-border transactions. They also enforce quality control measures, safeguard intellectual property rights in trade, and ensure adherence to trade agreements and global standards. Non-compliance with these regulations can result in penalties, suspension of trade licenses, and restrictions on future trade activities. DGFT also plays a key role in dispute resolution, policy amendments, and facilitating ease of doing business in foreign trade. These regulations are crucial for maintaining transparency, boosting exports, and aligning India's trade policies with global economic trends.

(vii) The Customs Act, 1962

The Customs Act, 1962 is the primary legislation governing the import and export of goods in India, ensuring the regulation, assessment, and collection of customs duties. It provides a legal framework for the control of smuggling, prevention of illegal trade, and enforcement of international trade agreements. The Act empowers customs authorities to levy duties on imported and exported goods, inspect shipments, seize prohibited items, and impose penalties for violations. It also outlines the procedures for customs clearance, warehousing, and transit of goods, ensuring compliance with trade regulations. The Act is crucial in maintaining trade security, protecting domestic industries, and preventing revenue leakage through fraudulent activities.

The Act includes provisions for valuation of goods, classification under the Customs Tariff Act, duty exemptions, and penalties for non-compliance. It also establishes mechanisms for dispute

resolution, adjudication, and appeals before tribunals and higher judicial authorities. The introduction of Electronic Data Interchange (EDI) systems and risk-based assessment has modernized customs procedures, reducing delays and enhancing trade efficiency. Amendments to the Act have aligned India's customs framework with global trade practices, facilitating ease of doing business. The Customs Act, 1962 plays a critical role in balancing trade facilitation with stringent enforcement measures to safeguard national economic interests.

(viii) The Information Technology Act, 2000

The Information Technology Act, 2000 (IT Act) is India's primary legislation governing electronic commerce, cybercrime, and digital transactions. Enacted to provide legal recognition to electronic records and digital signatures, the Act facilitates secure online transactions and establishes a framework for regulating cyber activities. It defines offenses such as hacking, identity theft, phishing, cyberstalking, and data breaches, prescribing penalties and punishments for cybercrimes. The Act also empowers the government to block access to unlawful online content, monitor digital communications, and regulate intermediaries, ensuring accountability in cyberspace. Additionally, it lays down provisions for the authentication of electronic contracts and legal validity of digital communications, crucial for the growth of e-governance and digital commerce.

Amendments to the IT Act, including the IT (Amendment) Act, 2008, strengthened provisions related to data protection, cyber terrorism, and intermediary liability. The Act introduced Section 66A, which was later struck down by the Supreme Court for violating free speech rights, and Section 69, granting the government powers for surveillance and decryption in national security interests. The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 further expanded regulatory oversight on social media and digital platforms. The IT Act continues to evolve, ensuring cybersecurity while balancing privacy and digital rights.

(ix) The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 was enacted to regulate weights, measures, and trade practices involving packaged goods in India. The Act establishes uniform standards for weights and measurements, ensuring accuracy and fairness in commercial transactions. It applies to goods sold by weight, measure, or number, preventing fraudulent practices and consumer exploitation. The Act mandates that all weighing and measuring instruments used for trade must conform to prescribed standards and be verified by designated authorities. Additionally, it governs the labeling requirements for pre-packaged commodities, ensuring that consumers receive clear information regarding quantity, price, date of manufacture, and other essential details.

The Act empowers regulatory authorities to inspect and verify compliance, seize non-standard products, and impose penalties for violations, including fines and imprisonment. It also provides for the registration of manufacturers, importers, and packers of weighing and measuring instruments, promoting accountability and transparency. Amendments and associated rules, such as the Legal Metrology (Packaged Commodities) Rules, 2011, have further strengthened consumer protection measures. The Act plays a crucial role in preventing unfair trade practices, enhancing consumer confidence, and aligning India's metrology standards with international benchmarks, ensuring equitable trade and commercial integrity across various sectors.

(x) Micro, Small, and Medium Enterprises Development (MSMED) Act, 2006

The Micro, Small, and Medium Enterprises Development (MSMED) Act, 2006 is a landmark legislation in India designed to foster the growth and development of micro, small, and medium enterprises (MSMEs), which are vital to the country's economic progress. The Act

provides a clear classification of MSMEs based on their investment in plant and machinery or equipment and annual turnover. It defines micro enterprises as those with investments up to ₹1 crore and turnover up to ₹5 crore, small enterprises with investments up to ₹10 crore and turnover up to ₹50 crore, and medium enterprises with investments up to ₹50 crore and turnover up to ₹250 crore. This classification is crucial for determining eligibility for various support measures and incentives under the Act.

The MSMED Act, 2006 also establishes a framework for supporting MSMEs through financial assistance, technology upgradation, and infrastructure development. It includes provisions for the Credit Guarantee Fund to offer collateral-free loans, enhancing access to finance for small businesses. Additionally, the Act promotes the registration of MSMEs to help them benefit from government schemes and subsidies. It also provides mechanisms for dispute resolution and the creation of institutions to support the sector's growth. By streamlining regulatory processes and providing targeted support, the MSMED Act aims to boost entrepreneurship, create jobs, and contribute to sustainable economic development.

(xi) The Explosives Act, 1884

The Explosives Act, 1884 is India's primary legislation governing the manufacture, possession, use, sale, transport, and import of explosives. Enacted to ensure public safety and prevent misuse, the Act establishes a legal framework for regulating explosive substances, including fireworks, industrial explosives, and ammunition. It empowers the Central Government to formulate rules for licensing, storage, and handling of explosives, ensuring compliance with safety protocols. The Act applies to individuals, businesses, and government entities involved in the explosives industry, requiring them to obtain permits and follow prescribed safety measures to prevent accidents, illegal activities, and security threats.

The Act grants authorities the power to inspect premises, confiscate unauthorized explosives, and impose penalties for violations, including fines and imprisonment. It also provides for stringent punishments in cases of unlawful manufacturing or smuggling of explosives, particularly those posing a threat to public order and national security. Over the years, the Act has been amended to address emerging risks, with supplementary rules such as the Explosives Rules, 2008 and the Gas Cylinders Rules, 2016 further refining safety standards. The Explosives Act, 1884 continues to be a crucial law for ensuring the controlled and lawful use of explosive materials, balancing industrial needs with public safety.

(xii) The Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016

The Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016 were enacted under the Environment (Protection) Act, 1986 to regulate the generation, handling, storage, transportation, and disposal of hazardous and other wastes in India. These rules aim to ensure environmentally sound management of hazardous waste while preventing its adverse impact on human health and the environment. The regulations classify hazardous waste based on its toxicity, flammability, and potential environmental damage. They impose strict responsibilities on waste generators, transporters, and recyclers to obtain necessary authorizations and follow prescribed disposal procedures. The rules also outline procedures for the import and export of hazardous waste, ensuring compliance with international agreements such as the Basel Convention on transboundary movement of hazardous waste.

The rules mandate industries to minimize waste generation and adopt best practices for waste recycling and recovery. They also introduce the Extended Producer Responsibility (EPR) framework, making producers accountable for the environmentally responsible disposal of end-of-life products. Non-compliance with these regulations attracts penalties, including fines and suspension of industrial operations. By enforcing stringent norms and promoting

sustainable waste management practices, the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016 play a crucial role in India's environmental protection framework.

(xiii) Labour Laws

The following is a detailed, indicative list of labor laws and regulations applicable to pharmaceutical and healthcare companies:

a) **Employees 'Compensation Act, 1923:** The Employees' Compensation Act, 1923 (formerly known as the Workmen's Compensation Act) is a key social welfare legislation aimed at providing financial protection to employees and their dependents in cases of injury, disability, or death arising out of and in the course of employment. The Act makes it mandatory for employers to compensate employees for accidents resulting in personal injury or occupational disease, regardless of fault. It covers both partial and total disablement, and compensation is calculated based on the employee's wages and the nature of the injury. The Act applies to specified classes of employees engaged in hazardous or manual work.

b) **Workmen's Compensation Act, 1923:** The Workmen's Compensation Act, 1923 (now referred to as the Employees' Compensation Act, 1923) is a beneficial legislation enacted to provide compensation to workers who suffer injury, disability, or death due to accidents arising out of and in the course of their employment. It imposes a statutory obligation on employers to compensate affected employees or their dependents, even in the absence of negligence. The amount of compensation is determined based on the nature of injury and the employee's wages. The Act applies to workers engaged in certain specified hazardous employments and aims to ensure social security and economic relief to industrial workers.

c) **Employees (Provident Fund and Miscellaneous Provisions) Act, 1952:** The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 is a key social security legislation enacted to ensure financial stability for employees after retirement or in cases of disability or death. It applies to specified establishments employing 20 or more persons. The Act provides for the institution of three schemes: the Employees' Provident Fund (EPF), the Employees' Pension Scheme (EPS), and the Employees' Deposit Linked Insurance Scheme (EDLI). Contributions are made by both employer and employee, and the accumulated funds are payable to employees upon retirement or to their nominees in case of death. The Act is administered by the EPFO.

d) **Employees 'State Insurance Act, 1948:** The Employees' State Insurance Act, 1948 is a comprehensive social welfare legislation aimed at providing medical, sickness, maternity, disablement, and dependent benefits to employees in case of employment-related injuries or health issues. It applies to factories and specified establishments employing 10 or more workers, with a wage ceiling as prescribed. Under the Act, both employers and employees contribute to the Employees' State Insurance (ESI) fund, which is managed by the Employees' State Insurance Corporation (ESIC). The Act ensures access to medical care for insured persons and their families and offers financial support during periods of illness, maternity, or employment-related disablement.

e) **Industrial Disputes Act, 1947:** The Industrial Disputes Act, 1947 is a key legislation enacted to promote industrial peace and harmony by providing a legal framework for the investigation and settlement of industrial disputes between employers and workmen. It applies to all industrial establishments and governs matters related to layoffs, retrenchment, strikes, lockouts, and closure of undertakings. The Act provides for the

constitution of various authorities such as Works Committees, Conciliation Officers, Labour Courts, and Industrial Tribunals to resolve disputes. It aims to secure fair terms of employment, prevent illegal strikes and lockouts, and protect the rights of both employers and employees in the industrial sector.

f) **Industrial Employment (Standing orders) Act 1946:** The Industrial Employment (Standing Orders) Act, 1946 was enacted to require employers in industrial establishments to formally define and communicate conditions of employment through certified standing orders. The Act applies to establishments employing 100 or more workmen (threshold reduced to 50 in some states) and mandates the employer to clearly specify terms relating to classification of workmen, working hours, leave, misconduct, disciplinary procedures, and termination. These standing orders must be certified by a Certifying Officer to ensure fairness and consistency. The Act aims to reduce industrial disputes by promoting transparency, standardizing service conditions, and ensuring employees are aware of their rights and obligations.

g) **Child Labour (Prohibition and Regulation) Act, 1986**: The Child Labour (Prohibition and Regulation) Act, 1986 was enacted to prohibit the engagement of children in certain employments and to regulate the conditions of work for children in permitted occupations. As amended by the Child Labour (Prohibition and Regulation) Amendment Act, 2016, it prohibits employment of children below 14 years in all occupations and processes, and of adolescents (aged 14 to 18) in hazardous occupations. The Act also prescribes working conditions such as hours of work, rest intervals, and health and safety measures for adolescents in non-hazardous sectors. It aims to safeguard the rights and development of children across India.

h) **The Contract Labour (Regulation and Abolition) Act, 1970:** The Contract Labour (Regulation and Abolition) Act, 1970 was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition under specific circumstances. The Act applies to establishments and contractors employing 20 or more contract workers. It mandates registration of establishments and licensing of contractors, ensuring proper working conditions, payment of wages, and welfare facilities such as canteens, restrooms, and first aid. The Act aims to prevent exploitation of contract labour by ensuring parity in basic rights and by allowing the appropriate government to prohibit contract labour in processes where it is deemed perennial or essential.

i) **Maternity Benefit Act, 1961**: The Maternity Benefit Act, 1961 was enacted to regulate the employment of women during the period of maternity and to provide them with maternity and certain other benefits. It applies to establishments employing 10 or more persons and entitles eligible women to paid maternity leave of 26 weeks (for the first two children) and 12 weeks for subsequent children. The Act also provides for benefits such as medical bonus, nursing breaks, and protection from dismissal during maternity. It prohibits employment of women during the prescribed period and ensures their right to return to the same job, thereby promoting maternal and child health.

j) **Minimum Wages Act, 1948:** The Minimum Wages Act, 1948 was enacted to ensure that workers are paid fair and minimum rates of wages by their employers in scheduled employments. It empowers the Central and State Governments to fix, review, and revise minimum wages for different sectors, skill levels, and regions. The Act applies to both organized and unorganized sectors and mandates payment of wages in cash, ensuring they are not less than the statutory minimum. It also provides for working hours, overtime, and wage deductions. The objective of the Act is to prevent exploitation of labour and to secure a basic standard of living for workers.

k) **Payment of Bonus Act, 1965:** The Payment of Bonus Act, 1965 was enacted to provide for the payment of bonus to employees based on profits or on the basis of productivity. It applies to establishments employing 20 or more persons and covers employees drawing wages up to a specified limit, currently Rs. 21,000 per month. Eligible employees who have worked for at least 30 days in a year are entitled to a minimum bonus of 8.33% and a maximum of 20% of their annual wages, depending on the allocable surplus. The Act aims to bridge the gap between labour and capital by sharing the profits of the establishment with its workers.

l) **Payment of Gratuity Act, 1972:** The Payment of Gratuity Act, 1972 was enacted to provide a statutory benefit to employees as a token of appreciation for their long and continuous service. It applies to establishments employing 10 or more persons and covers all employees, including those in factories, mines, plantations, and shops. An employee is eligible to receive gratuity upon termination, resignation, retirement, or death, provided they have completed at least five years of continuous service (not required in case of death or disablement). The amount payable is calculated based on 15 days' wages for every completed year of service. The Act ensures financial security after employment.

m) **Apprentices Act, 1961:** The Apprentices Act, 1961 was enacted to regulate and promote the training of apprentices in various trades and industries, with the objective of developing a skilled workforce. It applies to establishments in both the public and private sectors and mandates employers to engage apprentices in accordance with prescribed ratios. The Act defines the qualifications, period of training, stipend, and obligations of both employers and apprentices. It ensures that training is conducted as per the syllabus approved by the National Council for Vocational Training (NCVT) or other designated bodies. The Act aims to bridge the gap between theoretical education and practical industrial experience.

n) **Payment of Wages Act, 1936:** The Payment of Wages Act, 1936 was enacted to ensure timely and fair payment of wages to employees and to prevent unauthorized deductions. It applies to employees drawing wages below a specified limit (as notified by the government) and working in certain industrial and commercial establishments. The Act mandates that wages must be paid on time, either monthly, weekly, or fortnightly, and within the prescribed period after the wage period ends. It strictly regulates permissible deductions, such as for fines, absence from duty, or advances. The Act seeks to protect workers from exploitation and delays in wage disbursement by employers.

o) **Equal Remuneration Act, 1976:** The Equal Remuneration Act, 1976 was enacted to ensure equal pay for equal work for men and women and to prevent discrimination on the grounds of gender in matters of employment. The Act mandates that employers must pay equal remuneration to male and female workers for performing the same or similar nature of work. It also prohibits discrimination in recruitment, promotion, training, and transfer based on gender. Applicable to all establishments, the Act empowers authorities to investigate complaints and enforce compliance. Its objective is to promote workplace equality and uphold the constitutional principle of non-discrimination under Article 39(d) of the Indian Constitution.

p) **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted to provide a safe and secure working environment for women by preventing and addressing acts of sexual harassment at the workplace. The Act defines sexual harassment broadly and applies to all workplaces,

including the organized and unorganized sectors. It mandates the establishment of an Internal Committee (IC) in every organization with 10 or more employees to inquire into complaints. The Act outlines detailed procedures for complaint resolution, protection of complainants, and penal consequences for non-compliance. It aims to uphold women's right to equality, dignity, and safety at work.

B) TAXATION LAWS

(i) Income-Tax Act, 1961

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

(ii) The Central Goods and Service Tax Act, 2017

The Goods and Services Tax ("GST") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("CGST"), relevant state's Goods and Services Act, 2017 ("SGST"), Union Territory Goods and Services Act, 2017 ("UTGST"), Integrated Goods and Services Act, 2017 ("IGST"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

C) INTELLECTUAL PROPERTY LAWS

(i) Trademarks Act, 1999 (TM Act)

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

(ii) Copyrights Act, 1957

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to

certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

(iii) Patents Act, 1970 (Patent Act)

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

D) PROPERTY RELATED LAWS

(i) Transfer of Property Act, 1882

The Transfer of Property Act, 1882 governs the transfer of immovable property in India. This Act lays down the legal framework for the transfer of property rights, including the sale, mortgage, lease, and gift of real estate. It outlines the procedures and conditions under which property can be legally transferred from one party to another, ensuring that transactions are conducted in a lawful manner. The Act defines various types of property transfers and provides guidelines for executing and registering such transfers, aiming to protect the interests of all parties involved and to prevent disputes.

One of the key features of the Act is its detailed provisions on the transfer of property through sale and mortgage. It specifies the requirements for a valid sale deed, including the necessity of a written instrument and registration with the relevant authorities. The Act also addresses the legal implications of mortgages, detailing the rights and obligations of both mortgagors and mortgagees. Additionally, it covers lease agreements, providing a framework for the duration, terms, and conditions of lease contracts. Overall, the Transfer of Property Act, 1882 ensures transparency and fairness in property transactions, contributing to a stable real estate market.

(ii) Registration Act, 1908 (The "Registration Act")

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of 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 any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

(iii) The Indian Stamp Act, 1899

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

(iv) Indian Easements Act, 1882 (The "Easement Act")

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land, and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

E) STATE LAW

(i) The Kerala Shops and Commercial Establishments Act, 1960

The Kerala Shops and Commercial Establishments Act, 1960 governs the regulation of working conditions in shops, commercial establishments, and other businesses operating within the state of Kerala. The Act aims to ensure fair employment practices, regulate working hours, provide employee benefits, and maintain proper working conditions. It applies to shops, hotels, restaurants, theaters, and other commercial establishments but excludes factories governed by the Factories Act, 1948. The Act mandates the registration of establishments, prescribing rules for working

hours, overtime wages, weekly holidays, and conditions for the employment of women and young persons. It also ensures that employees receive statutory benefits, including leaves, wages, and termination protections.

The Act prohibits excessive working hours and mandates that no employee can work more than eight hours a day or forty-eight hours a week, with provisions for overtime wages. It also includes provisions related to health and safety, such as ventilation, sanitation, and proper lighting in workplaces. Employers must maintain employment records and comply with regulations to avoid penalties, which may include fines or legal action. By enforcing fair labor practices, the Kerala Shops and Commercial Establishments Act, 1960 plays a vital role in safeguarding employee rights while balancing business interests in the state.

(ii) The Maharashtra Shops and Establishments Act, 1948

The Maharashtra Shops and Establishments Act, 1948 is a state legislation enacted to regulate the working conditions of employees in shops, commercial establishments, residential hotels, restaurants, theaters, and other public entertainment venues within Maharashtra. The Act aims to ensure fair labor practices by governing aspects such as working hours, overtime, wages, rest intervals, and conditions of employment. It mandates compulsory registration of establishments and prescribes rules for the employment of women and young persons, ensuring their safety and welfare. Additionally, the Act provides statutory provisions for weekly holidays, earned leaves, and payment of wages, safeguarding employees from exploitation by employers.

The Act restricts excessive working hours, ensuring that employees do not work beyond nine hours a day or forty-eight hours a week, with mandatory rest intervals. It also includes provisions for proper working conditions, health and safety measures, and employer obligations, such as maintaining employment records and displaying statutory notices. Non-compliance with the Act attracts penalties, including fines and legal action against establishments violating labor laws. By promoting equitable labor practices and ensuring employee welfare, the Maharashtra Shops and Establishments Act, 1948 plays a crucial role in maintaining industrial harmony while supporting business operations in the state.

(iii) The Delhi Shops and Establishments Act, 1954

The Delhi Shops and Establishments Act, 1954 is a legislation enacted to regulate the working conditions of employees in shops, commercial establishments, residential hotels, restaurants, theaters, and other places of public amusement within the National Capital Territory of Delhi. The Act aims to ensure fair employment practices by governing aspects such as working hours, wages, overtime, rest intervals, and conditions of employment. It mandates the compulsory registration of establishments and prescribes specific rules for the employment of women and young persons, ensuring their safety and welfare. Additionally, the Act provides statutory provisions for weekly holidays, earned leaves, and termination procedures, protecting employees from arbitrary dismissals and exploitation.

The Act limits the working hours to nine hours per day and forty-eight hours per week, with mandatory rest intervals and overtime compensation. It also ensures that establishments maintain hygienic and safe working conditions, including provisions for ventilation, sanitation, and proper lighting. Employers are required to maintain employment records, display statutory notices, and comply with other regulatory requirements to avoid penalties. Non-compliance may result in fines

or legal action. By balancing labor rights with business interests, the Delhi Shops and Establishments Act, 1954 plays a vital role in promoting equitable labor practices and industrial harmony in the capital.

(F) ENVIRONMENTAL REGULATIONS

(i) The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control, and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant more than such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

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

The Air (Prevention and Control of Pollution) Act, 1981 was enacted to combat air pollution and establish a regulatory framework for controlling and reducing air pollutants in India. The Act empowers the Central and State Pollution Control Boards (CPCB and SPCBs) to monitor air quality, set emission standards, and take measures to prevent and control air pollution. It applies to industrial units, vehicles, and other sources of pollution, mandating the requirement of consent from SPCBs before setting up operations that may cause air pollution. The Act also grants authorities the power to inspect premises, collect samples, and take action against violators. Additionally, it prohibits the use of certain fuels and substances in specified areas to mitigate environmental degradation.

Under the Act, failure to comply with prescribed air quality standards can result in penalties, including fines and imprisonment. It also provides for the closure or suspension of non-compliant industries. Amendments to the Act have strengthened pollution control measures by integrating provisions for stricter enforcement and coordination between regulatory bodies. By establishing mechanisms for air quality management and pollution mitigation, the Air (Prevention and Control of Pollution) Act, 1981 plays a crucial role in protecting public health and ensuring environmental sustainability in India.

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

The Water (Prevention and Control of Pollution) Act, 1974 was enacted to prevent and control water pollution and to maintain or restore the wholesomeness of water in India. It provides for the establishment of the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) to regulate, monitor, and take measures to control water pollution. The Act prohibits the discharge of pollutants into water bodies beyond permissible limits and mandates industries, local

authorities, and individuals to obtain consent before discharging effluents. It also grants regulatory authorities the power to inspect premises, collect water samples, and initiate legal action against violators. The Act sets out penalties, including fines and imprisonment, for non-compliance with pollution control norms.

The Act empowers SPCBs to establish effluent standards, enforce pollution control measures, and direct industries to adopt treatment facilities for wastewater management. It also provides for the closure of polluting industries and imposes penalties for environmental damage. Over the years, amendments and related rules have strengthened enforcement mechanisms, ensuring stricter regulation of water resources. By implementing preventive and remedial measures, the Water (Prevention and Control of Pollution) Act, 1974 plays a crucial role in safeguarding water quality, protecting aquatic ecosystems, and promoting sustainable water management in India.

G) IN GENERAL

(i) Companies Act, 2013

The Companies Act, 2013 deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies; companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

(ii) The Competition Act, 2002

The Competition Act, 2002 (the ―Competition Act) prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates ―combinations in India. The Competition Act also established the Competition Commission of India (the ―CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds.

There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

(iii) Consumer Protection Act, 1986 (COPRA)

The Consumer Protection Act, 1986 (—COPRA) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

(iv) The Indian Contract Act, 1872 ("Contract Act")

The Contract Act 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

(v) The Foreign Exchange Management Act, 1999 (FEMA)

The Foreign Exchange Management Act, 1999 (FEMA) is a significant legislation in India that governs foreign exchange transactions, external trade, and payments. Enacted to replace the Foreign Exchange Regulation Act (FERA) of 1973, FEMA provides a modern regulatory framework that aligns with the liberalized economic policies and globalized financial environment.

FEMA aims to facilitate external trade and payments, promote foreign investment, and maintain stability in the foreign exchange market. It empowers the Reserve Bank of India (RBI) as the primary regulatory authority to oversee foreign exchange transactions and enforce compliance with FEMA provisions.

Under FEMA, regulations are formulated to govern various aspects of foreign exchange management, including foreign investment, current and capital account transactions, external borrowing and lending, and repatriation of funds. FEMA regulates the acquisition, holding, transfer, and disposal of foreign exchange and foreign securities by residents and non-residents alike.

(vi) Taxes on Professions, Trades, Callings and Employments

Every person engaged in any profession, trade, callings, and employment is liable to pay tax at the rate prescribed by the respective state government. It is considered necessary to levy tax on profession, trade callings and employment to augment state revenues. Every State is empowered by the constitution of India to make laws relating to levy of taxes on professions, trades, callings, and employments that shall serve as the governing provisions in the state.

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HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY AND BACKGROUND OF THE COMPANY

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam Havelli having Corporate Identification Number U74999KL2021PTC071243. Subsequently, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on March 14, 2024 and the name of our Company was changed from "Kanone Technologies Private Limited" to "Kanone Technologies Limited", pursuant to conversion from private to public company and a fresh certificate of incorporation dated June 28, 2024 issued by the Registrar of Companies, Ernakulam. The Corporate Identification Number of the Company is U74999KL2021PLC071243.

DATE OF INCORPORATION

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the provision of Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam.

DATE OF CONVERSION OF ~~PARTNERSHIP /~~ PRIVATE LIMITED TO PUBLIC LIMITED COMPANY

Financial Year	Key Events
2024	Company converted to Public Limited Company from Private Limited Company i.e from “Kanone Technologies Private Limited” to “Kanone Technologies Limited” and received its fresh certificate from Ministry of Corporate Affairs dated June 28, 2024

DATES ON WHICH NAMES HAVE BEEN CHANGED

As on the date of this Draft Prospectus, there has been no change in the name of our Company except for the change pursuant to its conversion from a private limited company to a public limited company, i.e., from “Kanone Technologies Private Limited” to “Kanone Technologies Limited”.

ADDRESS OF REGISTERED OFFICE AND BRANCH OFFICE

Sl. No.	Type of office	Address
1.	Registered Office	B4(1), 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028
2.	Branch Office	Office No. 3060, 3rd Floor, Marvel Fuego, Magarpatta City Road, Hadapasar, Pune, 411028
3.	Branch Office	38, Khemchand Market, khanpur, New Delhi.
4.	Branch Office	Plot No. Ground Floor, Block-A3, Chanakya Place Part-1, Sitapuri, Near Popli Hospital, Uttam Nagar, New Delhi-110059

CHANGE OF REGISTERED OFFICE

There is no change in the registered office of our Company since its incorporation.

MAJOR EVENTS AND MILESTONES IN THE HISTORY OF THE COMPANY

Year	Key Events
2021	Incorporated as Kanone Technologies Private Limited
2024	Company converted to Public limited i.e from "Kanone Technologies Private Limited" to "Kanone Technologies Limited" and received its fresh certificate from Ministry of Corporate Affairs dated August 23, 2024
2022	our Company has been rated a One Star Export house by the Director General of Foreign Trade (DGFT) within a period of 2 years.
2024	our Company has been rated a Three Star Export house by the Director General of Foreign Trade (DGFT).

MAIN OBJECT OF THE COMPANY

S. No.	Main Objects
1.	To carry on the business of exporters, importers, buyers, distributors, sellers, processors and or dealers in all or any types of electrical and electronic products, Telecom Products, Smart Phones, Mobile Devices, IT Products, Computer Peripherals, components and accessories, Machines and Mechanical Items, components and accessories, and any other Products, Items or things Indigenous to or Obtainable within India or any other Country of the World, and all other work which is ancillary to the above purpose.
2.	To carry on the business of exporters, importers, buyers, distributors, sellers of Technology associated with different types of electronics products and components and customized technology applications as per requirements.
3.	To carry on the business as importer, exporter, buyer, lesser, and sellers of and dealers in all type of electronic components and equipment necessary for attaining the above objects.
4.	To carry on in India and abroad the business to trade, buy, sell, import, export, stock or otherwise deal in all kinds of Silica Quartz including but not limited to Silica Powder, Silica Granules, Quartz Lumps, Quartzite, Frac Sand, Natural Silica Sand, Ramming Mass, Crystal Quartz, Rose Quartz, broad spectrum quartz, sand, minerals, ores, stones and all such natural material made from high purity sandstones used for Glass Manufacturing, Optical Products and such other products.
5.	To carry on the business to sell the products online through Company's online portals and any website, online store and other e-commerce method set up across India or abroad.

AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

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

Details of Shareholders Approval	Type of General Meeting	Amendments
10-03-2022	EGM	Our Authorized Capital Rs. 1,00,000 consist 10,000 Equity Shares face value of Rs. 10 Each was increased to Rs. 1,00,00,000 consist 10,00,000 Shares face value of Rs. 10 Each
11-12-2023	EGM	Our Authorized Capital Rs. 1,00,00,000 consist 10,00,000 Equity Shares face value of Rs. 10 Each was increased to Rs. 2,05,00,000 consist of 20,50,000 Equity Shares face value of Rs. 10 Each

20-12-2023	EGM	Added new object in the object clause of MOA i.e.: "To carry on in India and abroad the business to trade, buy, sell, import, export, stock or otherwise deal in all kinds of Silica Quartz including but not limited to Silica Powder, Silica Granuels, Quartz Lumps, Quartzite, Frac Sand, Natural Silica Sand, Ramming Mass, Crystal Quartz, Rose Quartz, broad spectrum quartz, sand, minerals, ores, stones and all such natural material made from high-purity sandstones used for Glass Manufacturing, Optical Products and such other products."
27-03-2024	EGM	Our Authorized Capital Rs.2,05,00,000 consist 20,50,000 Equity Shares face value of Rs. 10 Each was increased to Rs. 2,50,00,000 consist of 25,00,000 Equity Shares face value of Rs. 10 Each
01-06-2024	EGM	Our Authorized Capital Rs.2,50,00,000 consist 25,00,000 Equity Shares face value of Rs. 10 Each was increased to Rs. 15,00,00,000 consist of 1,50,00,000 Equity Shares face value of Rs. 10 Each
14-03-2024	EGM	Converted from Private Limited into Public Limited Company i.e from Kanone Technologies Private Limited to Kanone Technologies Limited.
20-02-2025	EGM	Added new object in the object clause of MOA i.e.: "To Carry on the business to sell the products online through company's online portals and any website, online store and other e-commerce method set up across India or abroad."

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of our company's activity, business model, marketing strategy, strength, please see our 'Business', 'Management Discussion and Analysis of Financial Conditions' and 'Basis for Issue Price' on page 151, 258 and 124 respectively.

SIGNIFICANT FINANCIAL AND STRATEGIC PARTNERSHIPS

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

CAPITAL RAISING (DEBT/EQUITY)

For details in relation to our capital raising activity through equity, please refer to the chapter titled "Capital Structure" beginning on page 88 of the Draft Prospectus.

For a description of our company's Debt facility, see, "Financial Indebtedness" on page 253 of the Draft Prospectus.

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

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of stores, see "Our Business" and "History and Certain Corporate Matters" on pages 151 and 189 of this Draft Prospectus.

DEFAULT OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTION /BANKS

There have been no defaults or rescheduling of borrowings with any financial institutions / Banks as on the date of the Draft Prospectus. Furthermore, none of the Company's loan from any of the financial institutions / Banks have been converted into equity in the past.

TIME AND COST OVERRUNS IN SETTING UP OF PROJECT

There has been no time / cost overrun in setting up of Project by our Company.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

LOCK-OUT OR STRIKES

There have been no lock-outs or strikes in our company since incorporation.

CHANGE IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS

There has been no change in business activities of our company since incorporation from the date of this Draft Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in Chapter titled "Management Discussion and Analysis of Financial Conditions & Result of Operations" beginning on page 258 of the Draft Prospectus.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Companies as on the date of filing of this Draft Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any Subsidiary Companies as on the date of filing of this Draft Prospectus.

ASSOCIATES OF OUR COMPANY

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

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunctions or restraining orders.

DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKING, MERGERS, AMALGAMATION, REVALUTAION OF ASSETS

As on the date of this Draft Prospectus, there are no Merger, Amalgamation etc. with respect to our Company and we have not acquired any business undertaking since incorporation.

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NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has Eight shareholders as on date of the Draft Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled "Capital Structure" beginning on page 88 of the Draft Prospectus.

DETAILS OF PAST PERFORMANCE

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled "***Financial Statements as restated***" beginning on Page 222 of this Draft prospectus.

For details of Change in management, please see chapter titled "***Our Management***" on page 195 of the Draft prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous three financial years, including details of non- recurring items of income, refer to section titled "Financial Statements" beginning on page 222 of this Draft Prospectus.

SHAREHOLDER AGREEMENT

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

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

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

MATERIAL AGREEMENTS

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

For details on business agreements of our Company, see "***Our Business***" beginning on page 151 of this Draft Prospectus.

GUARANTEES GIVEN BY OUR PROMOTERS

Except as stated in "*Financial Indebtedness*" on page 253 of this Draft Prospectus, our Promoters have not given any guarantees on behalf of our Company.

COLLABORATION AGREEMENT

As on the date of the Draft Prospectus, Our Company is not party to any collaboration agreement.

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RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

Our Company has taken Credit facilities from any of the Banks / Financial Institutions but no restrictive covenants applicable on company.

STRATEGIC / FINANCIAL PARTNERS

Our Company does not have any Strategic / Financial Partner as on the date of this Draft Prospectus.

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

There have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this draft prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

OTHER AGREEMENTS

- **Non-Compete Agreement:** Our Company has not entered into any compete Agreement on the date of this Draft Prospectus.
- **Joint Venture Agreement:** Our Company has not entered into any Joint Venture Agreement on the date of this Draft Prospectus.

Other Information: -

- There are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

- There are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

- To ensure that there is no any conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

- To ensure that there is no any conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

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OUR MANAGEMENT

Board of Directors

As per the Articles of Association our Company shall not appoint less than three (3) and more than fifteen (15) Directors. Our Board of Directors presently consists of Five (5) Directors including Two (2) Executive Director, including one (1) Woman Director, One (1) Non- Executive Director and Two (2) Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the Companies Act and SEBI Listing Regulations to the extent applicable.

The following table sets forth details regarding our Board as on the date of this Draft Prospectus.

	Age	Other Directorships
Sruthi Muhammed Ali **DIN**: 09237016 **Date of birth**: August 30, 1983 **Designation:** Managing Director **Address**: Padanattu Puthen Purayil House, Thengode, P.O, Edachira, Kakkanad S.O., Ernakulam, Kerala- 682030, India **Occupation**: Business **Date of expiration of current term:** September 29, 2026 **Term**: 5 years **Period of directorship**: Since September 29, 2021	42 Years	*Indian Companies* • Safa Systems & Technologies Limited • Safa Plywoods Private Limited
Faizal Bavaraparambil Abdul Khader **DIN**: 07729191 **Date of birth**: October 08, 1979 **Designation:** Non-Executive Director **Address**: Bavaraparambil House, Chakkaraparambu, Thammanam, Poonithura, Ernakulam, Kerala- 682032, India **Occupation**: Business **Date of expiration of current term:** Rotational **Term**: NA **Period of directorship**: Since September 29, 2021	45 Years	*Indian Companies* • Safa Plywoods Private Limited. • Safa Systems &Technologies limited. • Kanone Petrochem Private Limited.
Anaz Abdul Khader Bavaraparambil **DIN**: 07752149 **Date of birth**: September 24, 1986 **Designation:** Executive Director **Address**: Bavaraparambil House, Chakkaraparambu, Thammanam, Poonithura Ernakulam, Kerala-682032 **Occupation**: Business **Date of expiration of current term: NA** **Term**: NA **Period of directorship**: Since January, 29, 2025	39 Years	*Indian Companies* • *Kanone Petrochem Private Limited* • *Safa Plywoods Private Limited*

	Age	Other Directorships
Adarsh Punnakkattu Vinu **DIN**: 07916481 **Date of birth**: May 31, 1988 **Designation:** Independent Director **Address**: 33/2372 D, Bethel House, A K G Vayanashalla Road, Thammanam, Ernakulam, Kerala -682032 **Occupation**: Business **Date of expiration of current term:** January 29, 2030 **Term:** 5 Years **Period of directorship**: Since January 29, 2025	37 Years	*Indian Companies -NIL*
Vivek Vilas Joshi **DIN**: 09182419 **Date of birth**: September 03, 1967 **Designation:** Independent Director **Address**: Vengaon Road Dahivali Karjat, P.O: Dist: Raigarh, Maharashtra - 410201 **Occupation**: Business **Date of expiration of current term:** January 29, 2030 **Term**: 5 years **Period of directorship**: Since June 01, 2024 **DIN**: 09182419	58 Years	*Indian Companies* • Arshveer Traders Private Limited • Beatrix Import and Export Overseas Private Limited. **Limited Liability Partnership**: Wealthemoji LLP

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details, please see ***"History and Certain Corporate Matters"*** on page 189.

Brief profile of our directors

Mrs. Sruthi Muhammed Ali (Managing Director)

Mrs. Sruthi Muhammed Ali (aged 42 years) is the Promoter and Managing Director of the company. She has been associated with the company since its incorporation on September 29, 2021. Prior to that, she worked for 9 years at Safa Polymers, where she was involved in operations and strategic growth. She holds a diploma in Planning and Management. Her responsibilities include business management, strategic planning, workflow design, and managing partnerships. She oversees the Operations department. She also serves as a Director in Safa Systems and Technologies Limited since 2021.

Mr. Faizal Bavaraparambil Abdul Khader (Non- Executive- Director)

Mr. Faizal Bavaraparambil Abdul Khader (aged 45 years) is the Promoter and Non-executive Director of the Company and has been associated with it since its incorporation on September 29, 2021. He holds an Intermediate Certificate from the Institute of Chartered Accountants of India and has over 17 years of experience in manufacturing, quality control, and business operations.

He has been associated with Safa Plywoods Pvt. Ltd. since 2008 and has served as a director since 2020. He is also a Partner at Ina India Formulations since 2018 and the Managing Director of Safa System & Technologies Limited since December 2021.

Mr. Anaz Abdul Khader Bavaraparambil (Executive- Director)

Mr. Anaz Abdul Khader Bavaraparambil (aged 39 years) has been a director of the company since January 29, 2025. He holds a Bachelor of Technology degree. He has approximately 15 years of experience, including work at Safa Plywoods Private Limited. Mr. Anaz joined Kanone Technologies Limited as Director in 2025. His areas of involvement include manufacturing, trading, business management, and distribution of diverse products.

Mr. Adarsh Punnakkattu Vinu (Non- Executive Independent Director)

Mr. Adarsh Punnakkattu Vinu (aged 37 years) has been an Independent Director of the company since January 29, 2025. He holds a Bachelor of Technology in Mechanical Engineering. After completing his education, he worked for one year at a contractor associated with Cochin Shipyard in vessel manufacturing, repairs, and maintenance. His core competencies include vessel manufacturing and repairs, OEM installation, and business and finance management. He fulfils the conditions for appointment as an Independent Director under the Companies Act, 2013.

Mr. Vivek Vilas Joshi (Non- Executive Independent Director)

Mr. Vivek Vilas Joshi (aged 58 years) has been an Independent Director of the company since June 1, 2024. He obtained a qualification as a Venture Capitalist in 2023 from the Indian Academy of Venture Capital and holds a degree of Automobile Technician. He has about 4 years of experience as Founder and Managing Partner at Wealthemoji LLP. His professional work covers finance, consulting, and management. He has gained experience in areas including funding matrices, pitch decks, business models, business planning, financial models, capitalization tables, shareholding structures, valuation, deal structuring, term sheets, shareholders' agreements, due diligence, exit strategy, and crowdfunding.

DETAILS REGARDING DIRECTORSHIPS OF OUR DIRECTORS IN LISTED COMPANIES

None of our Directors is or was, during the last five years preceding the date of this draft prospectus, a director of any listed company whose shares has been or were delisted or suspended from being traded on the stock exchanges during their tenure as a director in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during their tenure as a director in such company.

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

S. No.	Name of the Director	Relationship with another director
1.	Sruthi Muhammed Ali	Spouse of Faizal Bavaraparambil Abdul Khader
2.	Faizal Bavaraparambil Abdul Khader	Brother of Mr. Anaz Abdul Khader Bavaraparambil and Spouse of Sruthi Muhammed Ali
3.	Anaz Abdul Khader Bavaraparambil	Brother of Faizal Bavaraparambil Abdul Khader and Brother - in- Law of Sruthi Muhammed Ali

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any

arrangement or understanding with our major Shareholders, customers, suppliers or others.

SERVICE CONTRACTS WITH DIRECTORS

As on the date of the Draft Prospectus, our Company has not entered into any service contracts with the Directors.

BORROWING POWERS OF THE BOARD OF THE DIRECTOR

The Articles, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra Ordinary General Meeting held on July 04, 2024, in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed 100 Crores.

CONFIRMATION

As on the date of this Draft Prospectus:

- Further, none of our directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
- None of our Director is declared a fugitive economic offender under section 12 of the Fugitive Economic Offender Act 2018.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or Member of their senior management.
- The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of employment.
- None of the above-mentioned Directors are on the RBI List of wilful defaulters.

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. For further details refer chapters titled "Outstanding Litigation and Material Developments" beginning on the page 272 of this Draft Prospectus.

CONFIRMATION OF MANAGING DIRECTOR AND WHOLE TIME DIRECTOR

Except as disclosed under "***Our Management – Terms of appointment of our Executive Director***" on page 205 there are no contingent or deferred compensation payable to our Executive Director that does not form part of his remuneration.

SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our directors to hold any qualification shares.

The table below sets forth details of Equity Shares held by the Directors, as on date of filing of this Draft Prospectus:

Sr. No.	Name of the Director	Number of Equity Shares	Percentage of the Pre-offer Paid up capital	Percentage of the Post-offer Paid up capital
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78%	[●]
2.	Sruthi Muhammed Ali	22,29,141	23.48%	[●]
3.	Anaz Abdul Khader Bavaraparambil	45	Negligible	[●]
Total		**47,71,360**	**50.26%**	[●]

INTEREST OF DIRECTORS

Our directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company for attending meetings of our Board or committees thereof.

Our directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares.

None of our Directors have availed any loan from our Company. No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Our Executive Director is interested to the extent of remuneration payable to her pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

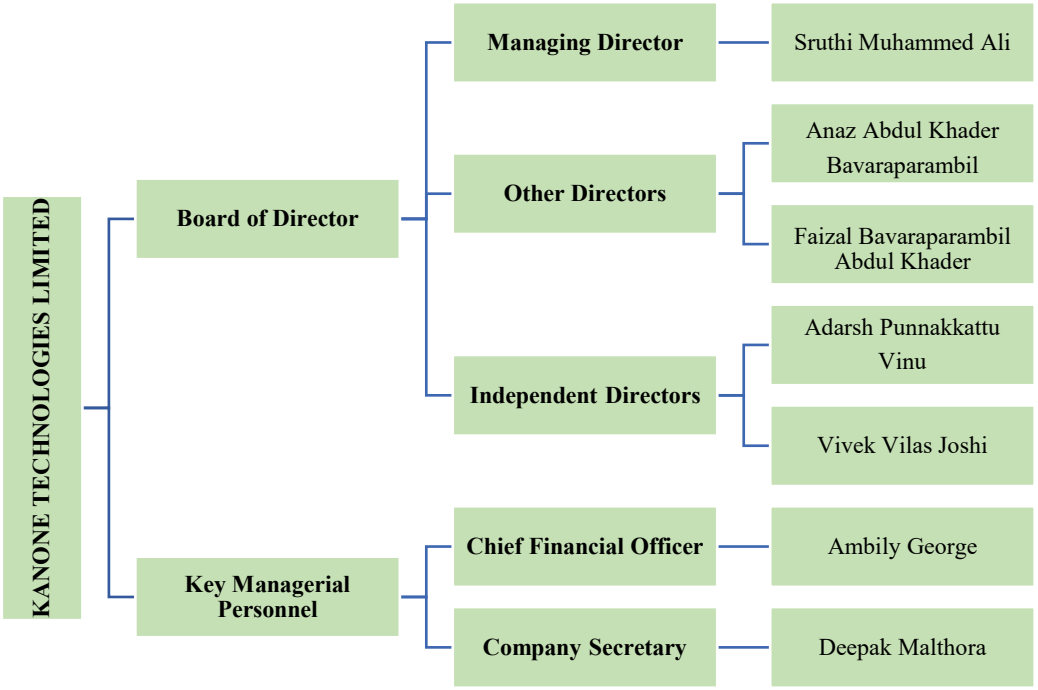
CHANGES IN DIRECTOR DURING THE LAST THREE YEARS

The changes in our Board of our Company during the last three years till the date of this Draft Prospectus are set forth below.

Name of Director	Date of appointment	Date of Cessation	Reason
Faizal Bavaraparambil Abdul Khader	September 29, 2021	-	Appointed as Non-Executive Director
Sruthi Muhammed Ali	September 29, 2021	-	Appointed as Managing Director
Sandeep Kumar	June 1st, 2024	December 31, 2024	Resignation under section 168 of the Companies Act 2013
Seeyda Beevi Muhammad	March 12, 2024	January 29, 2025	Resignation due to health issues
Anaz Abdul Khader Bavaraparambil	January 29, 2025	-	Appointed as Executive-Director
Adarsh Punnakkattu Vinu	January 29, 2025	-	Appointed as Independent Director

MANAGEMENT ORGANIZATION STRUCTURE

The following chart depicts our Management Organization Structure:



CORPORATE GOVERNANCE

As on the date of this Draft Prospectus, we have 5 directors on our Board, comprising of 1 Managing Director, 1 Executive Director, 1 Non-executive Non-Independent Director, and 2 Independent Director. The present composition of our Board of Directors and its committees are in accordance with the Companies Act, 2013, and SEBI Listing Regulations.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations in relation to the composition of our Board and constitution of committees thereof. Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act.

BOARD COMMITTEES

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholders Relationship Committee; and
d. Internal Complaints Committee.

Details of each of these committees are as follows:

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Audit Committee

The Audit Committee was originally constituted pursuant to a meeting of our Board held on July 01st, 2024 thereafter the committee was reconstituted pursuant to a Board meeting held on January, 29th, 2025.

The Audit Committee currently consists of:

Director Name	Position in Committee	Designation
Mr. Vivek Vilas Joshi	Chairperson	Independent Director
Mr. Adarsh Punnakkattu Vinu	Member	Independent Director
Mr Faizal Bavaraparambil Abdul Khader	Member	Non-Executive Director

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   (b) Changes, if any, in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgment by management;
   (d) Significant adjustments made in the financial statements arising out of audit findings;
   (e) Compliance with listing and other legal requirements relating to financial statements;
   (f) Disclosure of any related party transactions;
   (g) Qualifications in the draft audit report
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ 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;
7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors any significant findings and follow up there on;
15. 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee shall mandatorily review the following:

(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:
    1. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1);
    2. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee:

The Nomination and Remuneration committee was originally constituted pursuant to a meeting held by the Board of Directors on July 01, 2024 and thereafter the committee was reconstituted by a Board of Directors in their meeting held on January, 29, 2025

The Nomination and Remuneration Committee currently consists of:

Director Name	Position in Committee	Designation
Mr. Vivek Vilas Joshi	Chairperson	Independent Director
Mr. Adarsh Punnakkattu Vinu	Member	Independent Director
Mr Faizal Bavaraparambil Abdul Khader	Member	Non-Executive Director

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

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a) use the services of an external agencies, if required; b) consider candidates from a wide range of backgrounds, having due regard to diversity; and c) consider the time commitments of the candidates;

(3) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

(4) Devising a policy on diversity of board of directors;

(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(7) Recommend to the board, all remuneration, in whatever form, payable to senior management

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a meeting of our Board held on July 01,2024.

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

Director Name	Position in Committee	Designation
Mr Faizal Bavaraparambil Abdul Khader	Chairperson	Non-Executive Director
Mr. Vivek Vilas Joshi	Member	Independent Director
Mrs. Sruthi Muhammed Ali	Member	Managing Director

Role of Stakeholders' Committee

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

(1) Resolving grievances of our security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;

(2) Review of measures taken for effective exercise of voting rights by shareholders;

(3) Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

Review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Key Managerial Personnel

Other than Sruthi Muhammed Ali, Managing Director, whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Prospectus are set forth below.

Particular	Age (Years)	Year of joining	Compensation paid for F.Y. ended 24-25	Overall experience (in years)	Previous employment

			(Amount in Rs. Lakhs)		
Name: Deepak Malhotra **Designation:** Company Secretary and Compliance Officer **Qualification:** Company Secretary **Date of Birth:** 12/12/1989	35 Years	15/09/2025	NA	Nil	Nil
Name: Ambily George **Designation:** Chief Financial Officer **Qualification:** Bachelor of Commerce **Date of Birth:** 21/05/1974	51 Years	18/03/2024	3.48	3 years of experience in Jai Hind Aluminium Traders and 1 year 8 months experience Safa Systems & Technologies Limited	Jai Hind Aluminium Traders **&** Safa Systems & Technologies Limited

Deepak Malhotra is the Company Secretary and Compliance Officer of our Company. He is the Member if Institute of Chartered Secretaries of India Since 2013.

Ambily George is the Chief Financial Officer of our Company. She has been working with our Company since 18.03.2024. She has completed the Degree of Bachelor of Commerce. She has previously worked as Accountant with Jai Hind Aluminium Traders from 10.04.2019 till 09.07.2022 and in Safa Systems & Technologies Limited from 01.08.2022 to 15.03.2024.

Note: As on the date of the draft prospectus there is no Senior Management Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel

CHANGES IN KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

The changes in our Key Managerial Personnel during the last three years till the date of this Draft Prospectus are set forth below.

Name of KMP/SMP	Date Appointment and Resignation	Designation at the time of resignation and appointment	Reason
Shalu Gupta	March 11, 2024	Company Secretary	Appointment of Company Secretary and Compliance Officer of the Company
Ambily George	March 18, 2024	Chief Financial Officer	Appointment of Chief Financial Officer of the Company

Shalu Gupta	September 14, 2024	Company Secretary	Resignation from the post of the Company Secretary
Sweety Jhunjhunwala	September, 15, 2024	Company Secretary	Appointment of Company Secretary and Compliance Officer of the Company
Sweety Jhunjhunwala	August 16, 2025	Company Secretary	Resignation due to personal commitments. .
Deepak Malhotra	September 15, 2025	Company Secretary	Appointment of Company Secretary and Compliance Officer of the Company

SHAREHOLDING OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Except Sruthi Muhammed Ali, Managing Director, none of our Key Managerial Personnel hold Equity Shares in our Company as on the date of this Draft Prospectus.

No.	Name of the Shareholder	Number of Equity Shares	Percentage of pre- offer equity share capital
1.	Sruthi Muhammed Ali	22,29,141	23.48%

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

1. Executive Directors

Name	**Mr. Sruthi Muhammed Ali**
Designation	Managing Director
Period	5 years
Date of approval of shareholder	September 30, 2024
Remuneration	Rs. 3 Lakhs Per Annum
Perquisite	NA
Name	**Mr. Anaz Abdul Khader Bavaraparambil**
Designation	Director
Date of approval of shareholder	January 29, 2025
Remuneration	As the discretion of Board of Directors
Perquisite	NA

2. Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS FROM OUR SUBSIDIARIES OR ASSOCIATE COMPANY

Our Company does not have any subsidiary or associate company. As such, our directors do not receive any remuneration from any subsidiary or associate company.

BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

Our Company does not have any bonus or profit-sharing plan for the Directors.

INTEREST IN PROPERTY

None of our Directors are interested in any property acquired or proposed to be acquired by our Company.

INTEREST IN PROMOTION OR FORMATION OF OUR COMPANY

Sruthi Muhammed Ali (Managing Director), Anaz Bavaraparambil Abdul Khader**,** (Executive Director), Faizal Bavaraparambil Abdul Khader, (Non-Executive Director) and Safa Systems & Technologies Limited are the Promoters of our Company. For further details regarding our Promoter, see "***Our Promoters*** "on page 208.

BUSINESS INTEREST

Except as stated in the sections titled "***Restated Financial Statements – Annexure IX – Related Party Transactions***" on page 250, our Directors do not have any other business interest in our Company.

CONFIRMATION IN RELATION TO RBI CIRCULAR DATED JULY 1, 2016

Neither our Company nor any of our directors have been declared as Fraudulent Borrowers by RBI in terms of the RBI circular dated July 1, 2016.

SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL

No Key Managerial Personnel has not entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Except as disclosed in this Draft Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, 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.

RELATIONSHIP AMONGST KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Except as disclosed in the "***Our Management*** **- Relationship between Directors and Key Managerial Personnel or Senior Management**", none of our Key Managerial Personnel and Senior Management Personnel are related to each other.

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

No non-salary related amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management within the two years preceding the date of filing of this Draft Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

There is no bonus or profit-sharing plan for the Key Managerial Personnel

STATUS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

All our Key Managerial Personnel are permanent employees of our Company. Further, there are no Senior Management Personnel in the Company

EMPLOYEE STOCK OPTIONS AND STOCK PURCHASE SCHEMES

As on date of this Draft Prospectus, our Company does not have any Employee Stock Options and other Equity-Based Employee Benefit Schemes.

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OUR PROMOTERS AND PROMOTER GROUP

Our Promoters:

Faizal Bavaraparambil Abdul Khader, Sruthi Muhammed Ali, Anaz Abdul Bavaraparambil Khader and Safa Systems & Technologies limited are the Promoters of our Company. As on the date of this Draft Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Shareholder	Number of Equity Shares Held	% of Pre-Issue issued, subscribed and paid-up Equity Share capital*
1.	Faizal Bavaraparambil Abdul Khader	25,42,174	26.78%
2.	Sruthi Muhammed Ali	22,29,141	23.48%
3.	Anaz Abdul Bavaraparambil Khader	45	Negligible
4.	Safa Systems & Technologies limited	47,21,600	49.74%

For details of the build-up of the Promoters' shareholding in our Company, see "***Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company***", on page 98.

Details of our Individual Promoters

Faizal Bavaraparambil Abdul Khader

Faizal Bavaraparambil Abdul Khader born on October 08, 1979, aged 45 years, is a citizen of India. He resides at Bavaraparambil House, Chakkaraparambu, Thammanam, VTC: Poonithura, District: Ernakulam, Kerala- 682032, India

Permanent Account Number: AAYPF4862B

For the complete profile of Faizal, along with details of his date of birth, residential address, educational qualifications, business experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "***Our Management***" on page 195.

Sruthi Muhammed Ali

Sruthi Muhammed Ali, born on August 30, 1983, aged 41 years, is a citizen of India. She resides at Padanattu Puthen Purayil House, Thengode, P.O, Edachira, VTC: Kakkanad S.O., Ernakulam, Kerala- 682030, India

Permanent Account Number: BRIPA3612E

For the complete profile of Sruthi Muhammed Ali, along with details of her date of birth, residential address, educational qualifications, business experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "***Our Management***" on page 195.

Anaz Abdul Bavaraparambil Khader

Anaz Abdul Bavaraparambil Khader born on September 24, 1986, aged 38 years, is a citizen of India. He resides at Bavaraparambil House, Chakkaraparambu, thammanam, poonithura, Ernakulam, Kerela-682032

Permanent Account Number: BDAPA2992R

For the complete profile of Anaz Abdul Bavaraparambil Khader ,along with details of his date of birth, residential address, educational qualifications, business experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "***Our Management***" on page 195.

DETAILS OF CORPORATE PROMOTER

Safa Systems & Technologies Limited ("*Safa*")

Safa was founded and promoted by Mr. Faizal Bavaraparambil Abdul Khader, Mr. Bavaraparambil Abdhulkadher Hydrose, and our promoter group includes Mrs. Sruthi Muhammed Ali, Ms. Arakkal Ayyoob Soumya, Mr. Pathukunju Parayankudy Abubacker, Mr. Bavaraparambil Ayyoob Abdul Khader, Mr. Anaz Abdul Khader Bavaraparambil in the year 2021 by way of conversion of a Partnership Firm named "Safa Systems & Solutions" and to continue the similar and related business activity in the name of the company. Its Registered office is situated at 46/2631 B, Safa Arcade, Kaniyapilly Road Chakkaraparambu, Ernakulam, Kerala, India, 682028 and Safa's CIN is L52100KL2021PLC071051.

As on the date of this Draft Prospectus, the equity shares of our Promoter are listed on the SME platform of the Bombay Stock Exchange. The equity shares of our Promoter have been listed on the SME platform of the Bombay Stock Exchange since February 09, 2022.

Nature of Business:
Safa is engaged in the business of distribution of mobile phones, electronic gadgets, mobile phone accessories, computer and computer parts and others electronic media equipment.

Change in Activities:
There has been no change in business activities of Safa.

Change in control in last 3 years:
There has been no change in control of Safa in last 3 years.

Our Company confirms that the permanent account number, bank account number(s), passport number, Aadhaar card number and driving license number of Faizal Bavaraparambil Abdul Khader and Sruthi Muhammed Ali be submitted to SME Platform of BSE at the time of filing of this Draft Prospectus.

The Board of Directors of Safa Systems & Technologies Limited, as on the date of this draft prospectus:

Sr. No.	Name of the Director	Designation
01.	Faizal Bavaraparambil Abdul Khader	Managing Director
02.	Sruthi Muhammed Ali	Non - Executive Non -Independent Director
03.	Bavaraparambil Abdhulkadher Hydrose	Non - Executive Non -Independent Director
04.	Sankaranarayanan Nair Sreejith	Non-executive Independent Director

05.	Bengolan Anilkumar	Non-executive Independent Director

Key Managerial Personal of Safa Systems & Technologies Limited, as on the date of this draft prospectus

Sr. No.	Name of the person	Designation
01.	Alingal Pandian Rajeswari	Chief Financial Officer
02.	Divya Modi	Company Secretary

The shareholding pattern of the equity shares of our Promoter as on March 31st, 2025 is as follows:

Sr. No.	Name of the shareholder	Number of shares	Shareholding (%)
1.	Faizal Bavaraparambil Abdul Khader	28,84,000	11.55
2.	Sruthi Muhammed Ali	15,50,450	6.21
3.	Pathukunju Parayankudy Abubacker	11,81,250	4.73
4.	Arakkal Ayyoob Soumya	11,81,250	4.73
5.	Bavaraparambil Abdul Khader Ayyoob	11,81,250	4.73
6.	Anaz Abdul Khader Bavaraparambil	11,81,250	4.73
7.	Bavaraparambil hydrose abdhul kadher	11,81,250	4.73
8.	Safa Plywoods Private Limited	7,36,850	2.95
9.	Public	1,39,00,000	55.65
	Total	2,49,77,550	100.00

CHANGES IN CONTROL OF OUR COMPANY

There was no change in control of our Company since the inception of the Company.

INTEREST OF OUR PROMOTERS

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding, Managing director of our company and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them or their relatives; (iii) of remuneration payable to them as Directors of our Company; and (iv) of payment of rent for the Registered Office. For further details, see "***Capital Structure***", "***Our Management***", "***Summary of the Issue Document -Related Party Transactions***" and "***Financial Statements***" beginning on pages 88, 195, 26 and 222 respectively.

Except as stated in "***Summary of the Issue Document -Related Party Transactions***" beginning on page 19 and disclosed in "***Our Management***" beginning on page 195, there has been no payment of any amount or benefit given to our Promoters or Promoter Group during the two years preceding the date of filing of the Draft Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Prospectus.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

COMPANIES OR FIRMS WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS:

Except as disclosed below, our Promoters have not disassociated himself from any Company or Firm during the preceding three years.

Sr No.	Name of Promoter	Name of Disassociating Entities	Date of Disassociation	Reason for Disassociation
1	Faizal Bavaraparambil Abdul Khader	Kanone Motors Private Limited	August 16, 2021	Resigned from Directorship of the company
2	Anaz Abdul Khader Bavaraparambil	Kanone Motors Private Limited	September 24, 2024	Resigned from Directorship of the company

INTEREST IN THE PROPERTIES OF OUR COMPANY

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Draft Prospectus.

INTEREST AS MEMBERS OF OUR COMPANY

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled "Capital Structure" beginning on page 88 of this Draft Prospectus.

No sum has been paid or agreed to be paid to our Promoters and they are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

OTHER INTEREST

Our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as stated in the Annexure IX "Related Party Transactions" in Restated Financial Statements on page 250 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Prospectus.

OTHER VENTURES OF PROMOTERS

Save and except as disclosed in this section titled "Promoter Group", there are no ventures promoted by our promoters in which they have any business interest or any other interest as on the date.

OUTSTANDING LITIGATIONS DETAILS PERTAINING TO OUR PROMOTERS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled "Outstanding Litigations and Material Developments" on page 272 of the Draft Prospectus.

EXPERINCE OF PROMOTER IN THE LINE OF BUSINESS OF OUR COMPANY

For details of experience of promoters, including information relating to the directors who are promoter, please refer to the chapter titled *"Our Management"* beginning on page no. 195 of this Prospectus.

UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

i) Prohibited from accessing the capital market 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. None of the Promoters is or has ever been a promoter, director or person in control of any other company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

GUARANTEES

Except as stated in the section titled "Restated Financial Statements" beginning on page 222 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

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PROMOTER GROUP

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations except the Promoters are set out below:

Natural persons forming part of our Promoter Group (other than our Promoter):

Sr. No.	Name of the Individuals	Relationships
1.	**Faizal Bavaraparambil Abdul Khader**	
1.	B H Abdhul Kadher	Father
2.	Pathukunju PA	Mother
3.	Bavaraparambil Abdul Khader Ayoob Anaz Abdul Khader Bavaraparambil	Brother
4.	Suhara A Khader	Sister
5.	Sruthi Mohammed Ali	Spouse
6.	Haroon Faizal, Humayoon Faizal	Son
7.	Hamna Faizal	Daughter
8.	P I Muhammed Ali	Spouse's Father
9.	Sayeeda Beevi	Spouse's Mother
10.	Manzoor Kidwai	Spouse's Brother
11.	Laya Muhammed Ali	Spouse's Sister
2.	**Sruthi Muhammed Ali**	
1.	P I Muhammed Ali	Father
2.	Sayeeda Beevi	Mother
3.	Manzoor Kidwai	Brother
4.	Laya Muhammed Ali	Sister
5.	Faizal Bavaraparambi Abdhul Khader	Spouse
6.	Haroon Faizal, Humayoon Faizal	Son
7.	Hamna Faizal	Daughter
8.	B H Abdhul Kadher	Spouse's Father
9.	Pathukunju PA	Spouse's Mother
10.	Ayoob BA, Anaz B A	Spouse's Brother
11.	Suhara A Khader	Spouse's Sister
3.	**Anaz Abdul Khader Bavaraparambil**	
1.	B H Abdhul Kadher	Father
2.	Pathukunju PA	Mother
3.	Ayoob BA, Faizal Bavaraparambil Abdul Khader	Brother
4.	Suhara A Khader	Sister
5.	Fasna KK	Spouse
6.	Muhamed Ravuf K K	Spouse Father
7.	Asiyabi V M	Spouse Mother
8.	Rumana	Spouse Sister
9.	Eshal aisha	Daughter
10.	Nairah khadeeja	Daughter

Entities forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of the entities
Body corporates in which at least 20% of the equity share capital is held by our Promoters or the immediate relatives as set out above of our Promoters	
1.	Safa Plywood Private Limited
2.	Kanone Petrochem Private ltd
Body corporate in which at least 20% of the equity share capital is held by the body corporates forming a part of our Promoter Group as set out above	
1.	Nil
Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than 20% of the total capital	
1.	Safa Polymers
2.	Kanone Plywood
3.	Ina India Formulation

Description of promotor group other than individual:

1. **Safa Plywood Private Limited:** Kanone Petrochem Private Limited is incorporated on 09th November, 1995 under the Companies Act, 2013. To carry on the business of manufacturer, purchase, sale import, export or otherwise deal in all types and verities of Plywoods.
2. **Kanone Petrochem Private ltd:** Kanone Petrochem Private Limited is incorporated on 15th January, 2024 under the Companies Act, 2013. The Company is involved in the manufacture of polymer, synthetic / PVC water storage tanks.
3. **Safa Polymers:** a partnership firm is made on 8th July, 2021. The firm is involved in the business of industrial adhesives, glues and resins and also doing business or businesses of any other line, which the partners may from time to time decide to take up.
4. **Kanone Plywood:** a partnership firm is made on 18th April, 2023, to carry on the business of manufacture and trade in plywood and related products.
5. **Ina India Formulation:** INA India Formulation, a partnership firm is made on 1st November, 2021. The firm is involved in the business of manufacturing and trading of formaldehyde and related products.

DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

DEFUNCT GROUP COMPANIES

There is no defunct Group Companies of our Company as on the date of this Draft Prospectus.

OTHER DETAILS OF GROUP COMPANIES/ENTITIES

1. There are no defaults in meeting any statutory/ bank/ institutional dues;
2. No proceedings have been initiated for economic offences against our Group Companies/Entities

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified in chapter titled "Financial Information" and "Related Party Transaction" on page 222 and 217 of this Draft Prospectus.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Prospectus with Stock Exchange

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Draft Prospectus with Stock Exchange.

(c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

CONFIRMATION

- Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers.
- Our Promoters have not been declared as fugitive economic offenders under the Fugitive Economic Offenders Act, 2018.
- Our Promoters and the members of our Promoter Group are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Promoters are not a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- There is no conflict of interest between the lessors of our immovable properties of our Company (which are crucial for operations of our Company) and our Promoters and members of our Promoter Group.
- There is no conflict of interest between suppliers of raw materials or any third-party service providers of our Company (which are crucial for operations of our Company) and our Promoters and members of our Promoter Group.
- Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.
- For other relevant confirmations in relation to our Promoters and members of our Promoter Group, see "Other Regulatory and Statutory Disclosures" on page 283.
- For details of litigation involving our Promoters in accordance with the SEBI ICDR Regulations, see "Outstanding Litigation and Material Developments. Litigation involving our Promoters" on page 272.

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OUR GROUP COMPANIES / ENTITIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered (i) the companies (other than our Promoter(s) and Subsidiaries) with which there are related party transactions during the period for which financial information is disclosed in the Restated Financial Statements, as covered under the applicable account standards (i.e., Ind AS 24), and (ii) such other companies as considered material by our Board pursuant to the Materiality Policy.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the preceding three financial years, extracted from their respective audited financial statements (as applicable) are available at the website indicated below.

Our Company is providing links to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. None of our Company, the LMs or any of our Company's or the LMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below.

Our Company does not have any group companies as on the date of this Draft Prospectus our company

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RELATED PARTY TRANSACTIONS

Except as disclosed in the "summary of offer documents - Related Party Transactions" beginning on page 26 of this Draft Prospectus, our Company has not entered into any related party transactions with our Promoters.

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DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

The dividend distribution policy of our Company was approved and adopted by our Board on July 01, 2024 ("Dividend Policy").

Any future determination as to the declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with the provisions of our Articles of Association and Applicable Law, including the SEBI Listing Regulations and the Companies Act 2013, (together will the applicable rules issued thereunder), and will depend on a number of internal, financial and external factors, including but not limited to profits earned and available for distribution during the financial year, cash flows, accumulated reserves including retained earnings, earning stability, future capital expenditure requirement, growth plans (both organic and inorganic), inflation rates, cost of external financing and changes in government policies and regulatory provisions.

Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the operations, ongoing or planned business expansion or other factors. As a result, we may not declare dividend in the foreseeable future. For details in relation to risks involved in this regard, see "Risk Factors - Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements." on page 31.

Our Company has not declared any dividends on the Equity Shares during the last three Financial Year until the date of this Draft Prospectus.

Our Company have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company as per the dividend policy and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Extract of the dividend policy of the company:

PREAMBLE:

This Policy is formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 introduced on 01st July 2024.

Regulation 43 and Regulation 43A of Listing Regulations require the top thousand listed companies (by market capitalization as of March 31 of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

KANONE TECHNOLOGIES LIMITED has approved and adopted this Dividend Distribution Policy at its meeting held on 01st July 2024, being effective from the financial year 2024-2025.

Objectives:
This Policy is framed in accordance with the requirement under Regulation 43A of Listing Regulations, (including any amendments thereof). The objective of this Policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company.
The Board of Directors shall recommend the dividend by referring to this Policy, the provisions of the Companies Act, 2013 and Rules made thereto, Listing Regulations, and other applicable legal provisions.

Definitions:
Unless repugnant to the context:
a) "Companies Act or Act" shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.
b) "Board of Directors" or "Board" means the Board of Directors of KANONE TECHNOLOGIES LIMITED, as constituted from time to time.
c) "Company" means KANONE TECHNOLOGIES LIMITED.
d) "Members/Shareholders" shall mean shareholders of the Company who hold shares of the Company.
e) "Policy" means this Dividend Distribution Policy.
f) "Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).
g) "Dividend Payout Ratio" it is calculated as a percentage of dividends payable in a year " (excluding dividend tax (if any) to net profit during the year").
h) "Final Dividend" means the Dividend recommended by the Board of Directors and declared by the Members at an Annual General Meeting.
i) "Interim Dividend" means the Dividend declared by the Board of Directors.
j) "Free Reserves" means such reserves which, as per the latest audited balance sheet of a

Company, are available for distribution as Dividend.

However, the following amount shall not be treated as free reserves:

any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as reserve or otherwise any change in the carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value.

Words and expressions used and not defined herein shall have the meaning respectively assigned to them under the Companies Act 2013 or other applicable laws.

Parameters for Distribution of Dividend:

The Board of Directors of the Company may consider inter-alia the following factors/ parameters:

The Company shall pay dividend (including interim dividend) in compliance with the provisions of Section 123 of the Companies Act, 2013.

The Board of Directors will refer to this policy for declaration of interim dividend and recommendation of dividend to shareholders for their approval in the Annual General Meeting.

The Company has only one class of shareholders – equity shareholders. Therefore, dividend declared will be distributed equally among all Equity shareholders, based on their shareholding as of the record date. In the event of the Company issuing any other class(es) of shares, the Board shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

The Company shall comply with the relevant statutory requirements that apply to the Company in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after

taking into consideration the financial performance of the Company, the advice of executive management, and other factors described in this Policy.

The Company intends to offer maximum return on investment to the shareholders keeping in mind the underlying growth and future of the Company. The decision on the distribution of dividend will consider, inter-alia, the various financial/ internal and external factors including the financial position of the Company.

Internal Factors:
Profitable growth of the Company and specifically, profits earned during the financial year as compared with:

- Previous years and Internal budgets,
- Cash flow position of the Company,
- Accumulated reserves
- Earnings stability
- Future cash requirements for organic growth/expansion and/or for inorganic growth,
- Brand acquisitions,
- Current and future leverage and, under exceptional circumstances, the amount of contingent
- liabilities,
- Deployment of funds in short-term marketable investments,
- Long-term investments,
- Capital expenditure(s),
- The ratio of debt to equity (at net debt and gross debt level), and
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

External Factors:

- Business cycles,
- Economic environment,
- Cost of external financing,
- Applicable taxes including tax on dividend,
- Industry outlook for the future years,
- Inflation rate,
- Changes in the Government policies, industry-specific rulings & regulatory provisions, and
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

Utilization of Retained Earnings:

The Company may declare dividend out of the profits of the Company for the year, or out of the profits of any previous year or years, or, out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

Profits retained in the business will be invested in the business/operations of the Company and may be used for augmenting working capital, repayment of borrowings, funding capital expenditure/acquisition (s), and for all other corporate purposes.

Manner of Dividend Payout:

In case of final dividend:
Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to the approval of the shareholders of the Company.
The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:
Interim dividend, if any, shall be declared by the Board.
Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.

In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

The Policy shall not apply to:
Dividend to Preference Shareholders.
Distribution of cash or other assets to Equity Shareholders pursuant to buyback of shares.
Issue of fully paid-up bonus shares or other securities to Equity Shareholders or converting partly paid-up equity shares to fully paid-up shares.

Parameters to Be Adopted with Regard to Various Classes of Shares:
Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share.
The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

Circumstances under Which the Shareholders May Not Expect Dividend:
The shareholders of the Company may not expect Dividend under the following circumstances:

In the event of inadequacy of profits or whenever the Company has incurred losses;
Significant cash flow requirements towards higher working capital requirements / tax demands / or others, adversely impacting free cash flows;
An impending / ongoing capital expenditure program or any acquisitions or investment in joint ventures requiring significant allocation of capital;
Allocation of cash required for buy-back of securities;
Any of the above referred internal or external factors restraining the Company from considering dividend;
For any other reason as the Board may deem fit from time to time.

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Independent Auditor's Examination report on Restated Financial Information of Kanone Technologies Limited (Formerly known as Kanone Technologies Private Limited)

To,
The Board of Directors
Kanone Technologies Limited
(Formerly known as Kanone Technologies Private Limited)
B4(1), 46/2678, Kaniyapilly Road,
Chakkaraparambu Vennala P.O Ernakulam,
Kerala, India, 682028

1. We have examined the attached restated financial information of **"Kanone Technologies Limited** (formerly known as Kanone Technologies Private Limited)**"** (hereinafter referred to as "the Company" or "the Issuer") comprising the restated statement of assets and liabilities as at 31 March 2025, 31 March 2024 and 31 March 2023, restated statement of Profit and Loss and restated cash flow statement for the financial year ended on 31 March 2025, 31 March 2024 and 31 March 2023 and the summary statement of material accounting policies and other explanatory information (collectively referred to as the "**restated financial information**" or "**restated financial statements**") annexed to this report and initiated by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering SME Platform of BSE Limited ("**IPO**" or "**SMEIPO**") of BSE Limited ("**BSE**") of the company.

2. These restated summary statements have been prepared in accordance with the requirements of:

   (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations"**) and related amendments/ clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI"**);

   (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**Guidance Note**")

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Prospectus/Prospectus to be filed with pro in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Financial Statements taking in to consideration:

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(i) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 10 December, 2024, in connection with the proposed SME IPO; and

(ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

(iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;

(iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. The Restated Financial Statements of the Company have been compiled by the management from:

(i) The audited financial statements of the company for the year ended 31 March 2025 was conducted by us and audit for the year ended 31 March 2024 was conducted by PSV Jain & Associates and audit for the year ended 31 March 2023 was conducted by J Krishnan & Co. There are no material audit qualifications in the audit reports issued by the statutory auditors for the year ended 31 march 2025, 31 March 2024, 31 March 2023 and and tax auditors for the financial year 31 March 2024 and 31 March 2023 which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by them.

(ii) We have Re-audited the Financial statements of the company in accordance with applicable standard as required under the SEBI ICDR regulations for the year ended 31 March 2025, 31 March 2024, 31 March 2023 prepared in accordance with the Accounting Standards (Indian GAAP) which have been approved by the Board of Directors.

(iii) Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:

a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively for the year ended 31 March 2025, 31 March 2024 and 31 March 2023.

b) do not require any adjustment for modification as there is no modification in the underlying audit reports;

c) there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.

d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.

e) Adequate disclosure has been made in the financial statements as required to be made by the issuer as per schedule III of the Companies Act, 2013.

f) The accounting standards prescribed under the Companies act, 2013 have been followed.

g) The financial statements present a true and fair view of the company's accounts.

(iv) In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:

a) The **"Restated Summary Statement of Assets and Liabilities"** as set out in **Annexure I** to this report, of the company as at 31 March 2025, 31 March 2024, and 31 March 2023 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Material Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.

b) The **"Restated Summary Statement of Profit and Loss"** as set out in **Annexure II** to this report, of the Company for the financial year ended 31 March 2025, 31 March 2024 and 31 March 2023 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Material Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.

c) The **"Restated Summary Statement of Cash Flow"** as set out in **Annexure III** to this report, of the Company for the financial year ended 31 March 2025, 31 March 2024 and 31 March 2023 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Material Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.

(v) We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year ended 31 March 2025, 31 March 2024 and 31 March 2023 proposed to be included in the Draft Prospectus/ Prospectus ("**Offer Document**").

Annexure No.	Particulars
I	**Restated Statement of Assets & Liabilities**
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Other Long Term Liabilities
I.6	Restated Statement of Long-Term Provision

I.7	Restated Statement of Short-Term Borrowing
I.8	Restated Statement of Trade Payable
I.9	Restated Statement of Other Current Liabilities
I.10	Restated Statement of Short-Term Provisions
I.11	Restated Statement of Property, Plant and Equipment
I.12	Restated Statement of Long-Term Loans & Advances
I.13	Restated Statement of Other Non - Current Assets
I.14	Restated Statement of Inventories
I.15	Restated Statement of Trade Receivables
I.16	Restated Statement of Cash and Bank balances
I.17	Restated Statement of Short-Term Loans and advances
I.18	Restated Statement of Other Current Assets
II	**Restated Statement of Profit & Loss**
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of purchases of Stock- in- Trade
II.4	Restated Statement of Changes in inventories of Stock-in -Trade
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Financial costs
II.7	Restated Statement of Depreciation and amortization expenses
II.8	Restated Statement of Other Expenses
II.9	Restated Statement of Tax Expenses
Other Annexures:	
III	Restated Statement of Cash Flow
IV	Statement of Significant Accounting Policies
V	Notes to the Restated Financial Statements
VI	Restated Statement of Accounting & Other Ratios
VII	Restated Statement of Capitalization
VIII	Restated Statement of Tax Shelter
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities

(vi) We, M/s. Kapish Jain & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

(vii) This report should not in any way be construed as a reissuance 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 herein.

(viii) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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(ix) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Kapish Jain & Associates**,
Chartered Accountants,
Firm Registration No: 022743N

Sd/-

CA Vikas Katyal
Partner
Membership No.: 512562
UDIN: 25512562BMIGOK9567
Place: New Delhi
Date: September 24, 2025

Kanone Technologies Limited
(Formerly known as Kanone Technologies Private Limited)
CIN: U74999KL2021PLC071243

ANNEXURE - I

STATEMENT OF ASSETS & LIABILITIES, AS RESTATED *(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	Annexure No.	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Equity & Liabilities				
1. Shareholders Fund				
a) Share Capital	I.1	949.31	209.10	100.00
b) Reserves and Surplus	I.2	731.86	1,043.50	374.26
Total Shareholder's Fund		**1,681.17**	**1,252.60**	**474.26**
2. Non Current Liabilities				
a) Long Term Borrowings	I.3	518.16	311.86	-
b) Deferred Tax Liability (Net)	I.4	-	-	0.13
c) Other Long Term Liabilities	I.5	1.40	0.09	0.05
d) Long Term Provisions	I.6	0.25	0.18	0.04
Total Non Current Liabilities		**519.81**	**312.13**	**0.22**
3. Current Liabilities				
a) Short Term Borrowings	I.7	2,648.03	2,324.62	825.68
b) Trade Payables	I.8			
i.) total outstanding dues of micro enterprises and small enterprises		116.81	222.96	755.40
ii.) total outstanding dues other than micro and small enterprises		427.35	106.68	1,057.35
c) Other Current Liabilities	I.9	215.64	79.59	12.33
d) Short Term Provisions	I.10	140.91	208.95	91.13
Total Current Liabilities		**3,548.74**	**2,942.80**	**2,741.89**
Total Equity & Liability		**5,749.72**	**4,507.53**	**3,216.37**
4. Non-Current Assets				
a) Property, Plant and Equipment and Intangible Assets	I.11			
- Property, Plant and Equipment		392.50	3.84	2.72
- Intangible Assets		0.11	0.18	0.29
Total		**392.61**	**4.02**	**3.01**
b) Non- current Investment				
c) Deferred Tax Assets (Net)	I.4	0.20	0.28	-
d) Long Term Loans and Advances	I.12	14.91	-	-
e) Other Non - current Assets	I.13	6.67	1.30	1.30
Total Non Current Assets		**414.39**	**5.60**	**4.31**
5. Current assets				
a) Current Investments				
b) Inventories	I.14	1,361.01	231.58	254.51
c) Trade Receivables	I.15	2,476.80	2,592.56	2,174.23
d) Cash and bank balances	I.16	258.41	246.51	44.37
e) Short Term Loans and advances	I.17	7.04	10.53	32.42
f) Other Current Assets	I.18	1,232.07	1,420.75	706.53
Total Current Assets		**5,335.33**	**4,501.93**	**3,212.06**
Total Assets		**5,749.72**	**4,507.53**	**3,216.37**

Note: The above statement should be read with the significant accounting policies and notes on financial statements appearing in annexure IV & V respectively.

For KAPISH JAIN & ASSOCIATES
Chartered Accountants
Firm Reg. No: 022743N

Sd/-
Vikas katyal
Partner
Membership No. 512562
UDIN: 25512562BMIGOK9567
Place: New Delhi
Date: September 24, 2025

For and on behalf of the Board of Directors
Kanone Technologies Limited

Sd/-
Faizal BA
Director
DIN: 07729191
Place: Kochi

Sd/-
Sruthi MA
Managing Director
DIN: 09237016
Place: Kochi

Sd/-
Deepak Malhotra
Company Secretary
M No. A32431
Place: New Delhi

Sd/-
Ambily George
Chief Financial Office
PAN: BSYPG8472K
Place: Kochi

Kanone Technologies Limited
(Formerly known as Kanone Technologies Private Limited)
CIN: U74999KL2021PLC071243

ANNEXURE - II

STATEMENT OF PROFIT & LOSS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Annexure No.	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
I Revenue from Operations	II.1	27,790.46	42,871.68	25,287.34
II Other Income	II.2	324.84	431.40	419.43
III Total Income (I+II)		**28,115.30**	**43,303.08**	**25,706.77**
IV Expenditure				
(a) Purchases of stock- in- Trade	II.3	27,855.44	41,843.08	25,016.44
(b) Changes in inventories of stock- in- Trade	II.4	(1,129.43)	22.93	(254.51)
(c) Employee Benefit Expenses	II.5	22.77	12.52	26.69
(d) Finance costs	II.6	245.59	143.61	47.72
(e) Depreciation and amortization expenses	II.7	2.26	1.37	2.08
(f) Other Expenses	II.8	517.80	445.63	391.74
Total Expenses		**27,514.43**	**42,469.14**	**25,230.16**
V. Profit Before Exceptional and Extraordinary Items and Taxes (III-IV)		**600.87**	**833.94**	**476.61**
VI Exceptional items		-	-	-
VII Profit Before Extraordinary Items and Taxes (V-VI)		**600.87**	**833.94**	**476.61**
VIII Extraordinary Items		**-**	**-**	**-**
IX Profit Before Tax (VII-VIII)		**600.87**	**833.94**	**476.61**
X Tax Expenses	II.9			
Current tax		172.22	220.12	124.43
Deferred tax charge/ (benefit)		0.08	(0.41)	0.13
Total tax Expenses		**172.30**	**219.71**	**124.56**
XI Net Profit/(Loss) for the Year (IX-X)		**428.57**	**614.23**	**352.05**
Basic and Diluted Equity Per Share (not annualised for stub period)		**4.51**	**11.17**	**7.75**

Note: The above statement should be read with the significant accounting policies and notes on financial statements appearing in annexure IV & V respectively.

For KAPISH JAIN & ASSOCIATES
Chartered Accountants
Firm Reg. No: 022743N

Sd/-
Vikas katyal
Partner
Membership No. 512562
UDIN: 25512562BMIGOK9567
Place: New Delhi
Date: September 24, 2025

For and on behalf of the Board of Directors
Kanone Technologies Limited

Sd/-
Faizal BA
Director
DIN: 07729191
Place: Kochi

Sd/-
Sruthi MA
Managing Director
DIN: 09237016
Place: Kochi

Sd/-
Deepak Malhotra
Company Secretary
M No. A32431
Place: New Delhi

Sd/-
Ambily George
Chief Financial Officer
PAN: BSYPG8472K
Place: Kochi

Kanone Technologies Limited
(Formerly known as Kanone Technologies Private Limited)
CIN: U74999KL2021PLC071243

ANNEXURE - III

STATEMENT OF CASH FLOW, AS RESTATED *(All amounts in ₹ lacs, unless otherwise stated)*

PARTICULARS	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax as per Profit & Loss A/c	600.87	833.94	476.61
Adjusted for :			
a. Depreciation	2.26	1.37	2.08
b. Provision for Gratuity	0.07	0.14	0.04
c. Interest Expenses & Finance Cost	245.59	143.61	47.72
d. Unrealised foreign currency (gain)/loss	(32.92)	(37.57)	(7.19)
e. Interest Income	(17.72)	(2.04)	(0.19)
Operating profit before working capital changes	**798.15**	**939.45**	**519.07**
Adjusted for :			
a. Decrease /(Increase) in Inventories	(1,129.42)	22.93	(254.51)
b. Decrease / (Increase) in Trade Receivable	148.65	(380.75)	(2,156.04)
c. Decrease / (Increase) in Other Non Current Assets	(5.38)	-	0.50
d. Decrease / (Increase) in Short Term Loans and Advances	3.48	21.89	6.71
e. Decrease / (Increase) in Other Current Assets	188.65	(712.51)	(396.43)
f. Increase / (Decrease) in Trade Payables	214.53	(1,483.12)	1,526.90
g. Increase / (Decrease) in Long Term Provisions	(0.00)	(0.00)	(0.00)
h. Increase / (Decrease) in Other current Liabilities	136.05	67.26	6.82
Cash generated from operations			
Net Income Tax (Paid)/Refund	(240.27)	(102.30)	(41.25)
Net Cash Generated/(Used) From Operating Activities (A)	**115.75**	**(1,627.11)**	**(788.18)**
B. CASH FLOW FROM INVESTING ACTIVITES			
a. (Purchase) Sale of Fixed Assets including capital advance	(405.76)	(2.37)	-
b. Interest & Other Income	17.79	0.33	2.10
Net Cash Generated/(Used) From Investing Activities (B)	**(387.97)**	**(2.04)**	**2.10**
C. CASH FLOW FROM FINANCING ACTIVITES			
a. Interest & Finance Cost	(245.59)	(143.61)	(47.72)
b. Proceeds from issues of equity shares	-	164.10	-
c. Proceeds of long term borrowings	288.91	527.63	31.89
d. (Repayments) of long term borrowings	(82.61)	(215.77)	(31.89)
e. (Repayments) / proceeds of short term borrowings	323.41	1,498.94	825.68
Net Cash Generated/(Used) From Financing Activities (C)	**284.12**	**1,831.29**	**777.96**
Net Increase / (Decrease) in cash and cash equivalents	**11.90**	**202.14**	**(8.12)**
Cash and cash equivalents at the beginning of the year	246.51	44.37	52.49
Cash and cash equivalents at the end of the year	**258.41**	**246.51**	**44.37**
Component of Cash & Cash Equivalent			
Cash in hand	-	-	-
Balance With Bank	258.41	246.51	44.37
Total	**258.41**	**246.51**	**44.37**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.

2. The above statement should be read with the significant accounting policies and notes on financial statements appearing in Annexure IV & V respectively.

For KAPISH JAIN & ASSOCIATES
Chartered Accountants
Firm Reg. No: 022743N

Sd/-
Vikas katyal
Partner
Membership No. 512562
UDIN: 25512562BMIGOK9567
Place: New Delhi
Date: September 24, 2025

For and on behalf of the Board of Directors
Kanone Technologies Limited

Sd/-
Faizal BA
Director
DIN: 07729191
Place: Kochi

Sd/-
Sruthi MA
Managing Director
DIN: 09237016
Place: Kochi

Sd/-
Deepak Malhotra
Company Secretary
M No. A32431
Place: New Delhi

Sd/-
Ambily George
Chief Financial
PAN:
Place: Kochi

(All amounts in ₹ lacs, unless otherwise stated)

ANNEXURE - IV

1 Background

Kanone Technologies Limited (hereinafter referred to "the Company") was incorporated as on 29th day of September 2021 in the state of Kerala under the Companies Act, 2013. Registered address of company is Building No.46/2678 B4 (1) , Kaniyappilly Road, Chakkaraparambu, Vennala P.O., Ernakulam, Kerala-682028. The Company is engaged in the business of exporters, importers, buyers, distributors, sellers of Technology associated with different types of electronics products and components and customized technology applications as per requirements.

2 Summary of Significant accounting policies

i Basis of Preparation

The Restated Summary Statement of the Assets and Liabilities of the Company as at 31st March 2025, 31st March 2024 and 31st March 2023, the Restated Summary Statement of Profit and Loss and the Restated Summary Statement of Cash Flow thereof (collectively referred to as 'Restated Summary Statements') have been compiled by the management of the Company and have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules 2021. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.

ii Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment

Property, plant and equipment is stated at acquisition cost ner 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.

a. 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 statement of profit and loss during the period in which they are incurred.

b. 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 in derecognized.

Intangible assets

Acquired intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

iv Depreciation on property, plant and equipment

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses written down value method and has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Particulars	Useful life in years
Office equipments	10
Furniture and fixture	10
Office equipments	5
Computer	3

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be.

v Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimates used to determine the asset's recoverable amount, such that the revised recoverable amount is higher. However, the carrying amount after reversal shall not exceed the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognised.

vi **Revenue recognition**

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend income

Dividend income on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company's right to receive dividend is established.

Revenue from sale of services

Revenue from sale of services are accounted based on stage of completion of assignments, when there is reasonable certainty of its ultimate realisation.

vii **Investment**

Non-Current Investment

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current Investment

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

viii **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks. Bank overdrafts are shown within borrowings in current liabilities in balance sheet.

ix **Employees Benefit**

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date. The defined benefit obligation is calculated at the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

x **Inventories**

Inventories are valued at lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct cost and related overheads.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xi **Income taxes**

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit considered in determining the net profit or loss for the year.

Current tax

Provision for current tax is recognized on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Deferred tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xii Leases

Operating leases - As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of lease.

xiii Provisions, Contingent Liability and Contingent Asset

Provisions

Provisions are recognized in terms of Accounting Standard 29 Provisions, Contingent Liabilities and Contingent Assets (AS-29), notified by the Companies (Accounting Standards) Rules, 2006, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets

Contingent Assets are not recognized in the financial statements. involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

xiv Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

i. transactions of a non-cash nature;

ii. any deferrals or accruals of past or future operating cash receipts or payments;

iii. items of income or expense associated from investing or financing cash flows; and

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

xv Borrowing Cost

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

xvi Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS, AS RESTATED

ANNEXURE - V

(All amounts in ₹ lacs, unless otherwise stated)

Other notes to standalone restated financial statements

1 Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

2 Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profit & Loss and Cash flows wherever required by reclassification of the corresponding items of income, expenses,

3 Material Adjustments in Restated Profit & Loss Account:

Particulars	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Net profit after tax as per audited accounts but before adjustments for restated accounts:	428.03	607.10	362.78
Adjustment for Depreciation	-	0.01	-
Adjustment for prior period expenses	0.42	0.14	-
Adjustment for change in employee benefit expenses	-	-	(0.03)
Adjustment for Lease equalization	(0.11)	-	(0.05)
Adjustment for other expenses	-	(0.18)	7.32
Adjustment for provision of Income Tax.	(0.01)	7.05	(17.62)
Adjustment for Provision of Deferred Tax in respect of timing differences between	0.24	0.11	(0.35)
Profit after Tax as per restated	**428.57**	**614.23**	**352.05**

Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

Note: During the fiscal years 2022-23, and 2021-22, inter-branch sales and purchases amounting to ₹ 605.56 lakhs and ₹ 103.88 lakhs respectively, were recorded under revenue and purchases. These inter-branch transactions have been eliminated in the restated financial statements to ensure compliance with the principles of consolidation and to avoid overstatement of revenue and expenses. Elimination of these inter-branch transactions does not impact the net profit of the Company for any of the reporting periods.

a) Adjustment for Depreciation expenses: Addition and deletion of depreciation has been made due to classification of Plant and Machinery.

b) Adjustment for prior period expenses: Amount related to prior period expenses have been adjusted in the year to which the same relates to in the Statement of Profit and Loss account and restated other reserve and surplus.

c) Adjustment for change in employee benefit expenses: The Company has not been recognised gratuity expenses in Statement of Profit and Loss as per requirement of AS-15 "Employee benefits", for the FY 2021-22 now it has been recognised in Statement of Profit and Loss account.

d) Adjustment for MSME interest expenses: An interest liability has accrued due to the failure to settle the outstanding balance of MSME creditors within the stipulated 45-day period from the date of the transaction.

e) Adjustment for Lease equalization: Since company is operating its branches by taking offices on rent and booking of rent expenses is done as per Accounting standard 19 and under same accounting standard since it is not fulfilling the conditions for finance lease conditions hence Lease equalization has been created by dividing total rent in equal no. of years.

f) Adjustment for Other expenses: There is addition and deletion of Insurance expenses has been made

g) Adjustment for provision of Income Tax: Current tax expenses restated as per Statement of Tax Shelters due to changes made as mentioned in point no. (a), (b), (c), (d) & (f) above.

h) Adjustment for provision of Deferred Tax: Deferred tax expenses restated due to timing differences of changes made as mentioned in point no. (a) & (c) above., which has now been restated and impact has been given in the respective periods at income tax rates as applicable to the respective periods.

Material Adjustments in Restated Assets & liability Statement:

Particulars	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Audited shareholder's Funds	**1,684.21**	**1,256.18**	**484.99**
Adjustment for Depreciation	-	0.01	-
Adjustment for prior period expenses	0.42	0.14	-
Adjustment for change in employee benefit expenses	-	-	(0.03)
Adjustment for provision of Income Tax.	(0.01)	-	-
Adjustment for provision of Income Tax & Deferred Tax	0.24	7.16	(17.97)
Adjustment for Rent equalization	(0.11)	(0.18)	(0.05)
Adjustment for Other expenses	-	-	7.32
Opening Balances	(3.58)	(10.71)	-
Shareholder's Funds as per restated financials	**1,681.17**	**1,252.60**	**474.26**

4 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at year end has been made based on the information available with the Company. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the Management.

Particulars	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	116.81	222.96	755.40
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
Interest accrued and remaining unpaid as at the end of year.	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-

5 Other figures of the previous years have been regrouped/reclassified and rearranged wherever necessary.

6 As required under SEBI (ICDR) Regulations, the Statement of Assets and Liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

7 **Expenditure/Earnings in Foreign currency (on accrual basis).**

Particulars	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Expenditure in Foreign Currency	-	-	-
Earning in Foreign Currency	23,445.88	42,820.67	24,198.67

8 **Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits are subject to confirmation and reconciliation.

9 **Employee benefits plans**

A. Defined contribution plans:

The Company makes Provident fund and Employee State Insurance Scheme contribution which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to the fund. The contribution payable to these plans by the Company are at rates specified in the rules of the schemes. Employers' contribution to Provident Fund and Employee's State Insurance Scheme recognised as expenses in the Statement of Profit and Loss for the year are as under:

Particulars	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Contribution to provident fund and other funds	-	-	-

B. Defined benefit plans:

The Company provides 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.

i) Amount recognised in the statement of profit and loss is as under :

	Gratuity Benefits		
	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Current service cost	0.22	0.10	0.60
Past service cost including curtailment gains/losses	-	-	-
Interest cost	0.01	0.00	0.02
Actuarial (gain)/loss, net	(0.16)	0.04	(0.82)
Amount recognised during the year	0.07	0.14	(0.20)

ii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under :

	Gratuity Benefits		
	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Present value of defined benefit obligation as at the start of the year	0.18	0.04	0.24
Current service cost	0.22	0.10	0.60
Past service cost	-	-	-
Interest cost	0.01	0.00	0.02
Actuarial (gain)/loss on obligation	(0.16)	0.04	(0.82)
Benefits paid	-	-	-
Present value of defined benefit obligation as at the end of the year	0.25	0.18	0.04
Current position of obligation as at the end of the year	0.00	0.00	0.00
Non-current position of obligation as at the end of the year	0.25	0.18	0.04

iii) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at		
	31 March 2025	31 March 2024	31 March 2023
Discount rate	6.79% p.a.	7.17% p.a.	7.35% p.a.
Salary growth rate	10.00% p.a.	10.00% p.a.	10.00% p.a.
Rate of Employee Turnover			

iv) Demographic assumptions:

	As at		
	31 March 2025	31 March 2024	31 March 2023
Retirement age	58 Years	58 Years	58 Years
Mortality table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition Rate	15.00% p.a.	15.00% p.a.	15.00% p.a.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Notes:

(1) The above figures have been extracted from the actuarial valuation report issued by M/s Kandoi & Co. vide certificate Dated- 17 October 2024 for the period ended Sep. 2024 and certificate dated- 03 April 2024 For the year ended 31 March 2024, 31 March 2023 and 31 March 2022

10 Additional regulatory information

(i) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(ii) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(iii) There are no transactions / relationship with struck off companies.

(iv) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the

(v) The Company has neither traded nor invested in Crypto currency or Virtual Currency during the period year March 31, 2025. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(vi) Valuation of PP&E, intangible asset and investment property: The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current

(vii) The Company has filed quaterly returns or statements with such banks, which are not in agreement with the books of accounts

Name of the Bank	Aggregate Working capital Limit Sanction	Quater Ended	Amount Disclosed as per Quarterly Statement	Amount as per books of Accounts	Difference	Reason For Difference
State Bank of India	2,400.00	30 June 2024	2,699.52	2,646.91	52.61	Recoverable from other than customers are considered as trade receivable at the time of filling stock statement with bank.
State Bank of India	2,400.00	30 September 2024	3,010.73	2,992.13	18.60	
State Bank of India	2,400.00	31 December 2024	3,068.20	2,834.70	233.50	
State Bank of India	2,500.00	31 March 2025	3,293.65	3,293.65	-	NA

(viii) The Company does not have any charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond the statutory period.

(ix) The Company has not advanced, loaned, or invested funds (including borrowed funds, share premium, or any other source or kind of funds) to any other person or entity, including foreign entities ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether directly or indirectly: lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries), or provide any guarantee, security, or the like on behalf of the ultimate beneficiaries. However, due to the limitations in the availability of complete data and documentation, the Company is unable to independently verify or trace whether any such arrangements exist. The management has represented that, to the best of its knowledge and belief, no such transactions have taken place during the reporting period.

(x) The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Party"), with the understanding (whether recorded in writing or otherwise) that the Company shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (ultimate beneficiaries), or provide any guarantee, security or the like on behalf of the ultimate beneficiaries. However, due to limitations in the availability of complete supporting documentation and data, the Company is unable to independently verify the existence or non-existence of such arrangements, if any. The management has confirmed that, to the best of its knowledge and belief, no such transactions have occurred during the reporting period.

(xi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies

11 Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

12 Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessed and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

13 Director Personal Expenses

There are no director personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

14 The name of the Company has been changed from 'Kanon Technologies Private Limited' to 'Kanon Technologies Limited' vide fresh Certificate of Incorporation received from Ministry of Corporate Affairs dated 28th June, 2024.

15 The Company has a single reportable segment for the purpose of Accounting Standard 17.

16 Deferred Tax Asset/Liability: [AS-22]

The Company has created Deferred Tax Asset/Liability as required by Accounting Standard (AS)-22.

17 Corporate Social Responsibility (CSR)

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
2% of average net profit of last three years	8.93	-	-
Previous Year Pending Obligation	-	-	-
Amount expended on CSR activities during the year	-	-	-
Pending obligation towards expenditure on CSR	8.93	-	-

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.1

Restated Statement of Share Capital

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Authorised Share Capital			
No. of equity share of Rs. 10/- each	15,000,000	2,500,000	1,000,000
Authorised Share Capital	1,500.00	250.00	100.00
Issued, Subscribed & Fully Paid-up			
No. of equity share of Rs. 10/- each	9,493,140	2,091,000	1,000,000
Issued, Subscribed & Fully Paid-up	949.31	209.10	100.00

Note: The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. All shareholders are equally entitled to dividend. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts, if any) in the proportion of equity shares held by the shareholders.

Reconciliation of No. of Shares Outstanding at the end of the year ***(No. of Equity Shares)***

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Shares outstanding at the beginning of the year	2,091,000	1,000,000	1,000,000
Shares issued during the year	-	-	-
Right share issued during the year (refer note (a) below)	-	1,091,000	-
Bonus share issued during the year (refer note (b) below)	7,402,140	-	-
Share outstanding at the end of the year	**9,493,140**	**2,091,000**	**1,000,000**

Note (a): During the financial year 2023-24, the Company allotted 10,41,000 Equity Shares of face value of ₹10/- each for cash consideration on 18th January, 2024, and 50,000 Equity Shares of face value of ₹10/- each at a price of ₹120/- per share (including a premium of ₹110/- per share) for cash consideration on 28th March, 2024. Accordingly, the share capital and securities premium have been increased to the extent of the above allotments.

Further, the shareholders transferred 10,40,000 Equity Shares to Safa Systems & Technologies Limited.

Note (b): During the financial year 2024-25, the company has issued 74,02,140 bonus share to the fully paid shareholders of the company in the proportion of 177:50 i.e. one lakh seventy seven thousand new fully paid equity share for every fifty existing equity shares held on that date.

Reconciliation of Shares Outstanding at the end of the year

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Shares outstanding at the beginning of the year	209.10	100.00	100.00
Right issued during the year	-	109.10	-
Bonus Issued during the year	740.21	-	-
Share outstanding at the end of the year	**949.31**	**209.10**	**100.00**

Details of Shareholders holding more than 5% of the aggregate shares in the company

Name of shareholders	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Faizal BA			
No. of Shares	2,542,174	559,950	510,000
% of holding	*26.78%*	*26.78%*	*51.00%*
Sruthi MA			
No. of Shares	2,229,141	491,000	490,000
% of holding	*23.48%*	*23.48%*	*49.00%*
Safa Systems & Technologies Limited			
No. of Shares	4,721,600	1,040,000	-
% of holding	*49.74%*	*49.74%*	*0.00%*

(All amounts in ₹ lacs, unless otherwise stated)

Details of The Shareholding pattern of the promoters at the year end as follows:

Name of the Promoters	As at 31 March, 2025		
	No. of Shares Held	% of Holding	% Change during the year
Faizal BA	2,542,174	26.78%	-
Sruthi MA	2,229,141	23.48%	-
Safa Systems & Technologies Limited	4,721,600	49.74%	-

Details of The Shareholding pattern of the promoters at the year end as follows:

Name of the Promoters	As at 31 March, 2024		
	No. of Shares Held	% of Holding	% Change during the year
Faizal BA	559,950	26.78%	24.22%
Sruthi MA	491,000	23.48%	25.52%
Safa Systems & Technologies Limited	1,040,000	49.74%	49.74%

Name of the Promoters	As at 31 March, 2023		
	No. of Shares Held	% of Holding	% Change during the year
Faizal BA	510,000	51.00%	-
Sruthi MA	490,000	49.00%	-

Annexure – I.2

Restated Statement of Reserve & Surplus

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Statement of Profit & Loss			
Opening balance	988.50	374.26	22.21
Add: Profit for the year	428.57	614.23	352.05
Total	**1,417.07**	**988.50**	**374.26**
Less: Utilised for Bonus Issue	685.21	-	-
Less: Other adjustment	-	-	-
Balance as at the end of the year	**731.86**	**988.50**	**374.26**
Security Premium Reserve	-	-	-
Opening balance	55.00	-	-
Add: Addition during the Period/year	-	55.00	-
Less: Utilised for Bonus Issue	55.00	-	-
Balance as at the end of the year	**-**	**55.00**	**-**
Total Reserve & Surplus	**731.86**	**1,043.50**	**374.26**

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.3

Restated Statement of Long Term Borrowings

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Secured Loans			
From Banks			
- Bank/ Financial Institution	257.00	-	-
- Other	-	-	-
Unsecured Loans			
From others			
- Loans from Directors and relatives (Refer Note-below)	261.16	311.86	-
Total	**518.16**	**311.86**	**-**

Note: As per the sanction letter P415PLA7471903 issued by Bajaj Finance Limited, a loan amounting to ₹448.32 lakhs was disbursed to M/s Kanone Technologies Private Limited (one of the co-applicants) on 18 April 2023. The said loan was originally applied for by Safa Plywood Private Limited, a group company, and was subsequently disbursed to Kanone Technologies Private Limited as per the instructions of Mr. Faizal Bavaraparanmbil Abdul Khadar. While Kanone Technologies Private Limited was a co-applicant for the loan, along with Mr. Faizal Bavaraparanmbil Abdul Khadar and other directors, it was not the entity that initially applied for the loan. As a result, Mr. Faizal Bavaraparanmbil Abdul Khadar has assumed full responsibility for the said loan. Furthermore, in accordance with the agreement between Mr. Faizal Bavaraparanmbil Abdul Khadar and Kanone Technologies Private Limited, the loan amount is deemed to have been extended by Mr. Faizal Bavaraparanmbil Abdul Khadar to Kanone Technologies Private Limited. The Company is required to make an Equated Monthly Installment (EMI) payment of ₹5,29,694/- (Rupees Five Lakhs Twenty-Nine Thousand Six Hundred Ninety-Four Only) per month until the full repayment of the loan.

Restated Statement of Principal terms of Secured Loans and Assets charged as Security

Name of Lender	Pupose	Rate of Interest	Repayment Schedule	Security	Total Outstanding amount as at 31 March, 2025	Total Outstanding amount as at 31 March, 2024	Total Outstanding amount as at 31 March, 2023
Secured Loans							
- Bank/ Financial Institution							
(a) Cash credit from State bank of India.							
State bank of India	For meeting the working capital	10.40%	On Demand	(Secured by way of first charge on the stock and receivables, Immovable Property of the Director and further guaranteed by the promoter director)	150.26	149.24	151.47
(b) EPC from State bank of India.							
State bank of India	For meeting the working capital	7.65%	On Demand	(Secured by way of first charge on the stock and receivables, Immovable Property of the Director and further guaranteed by the promoter director)	1,996.89	2,012.41 -	674.21
(c) Bill Discounting							
'State bank of India	For meeting the working capital	9.70%	On Demand	(Secured by way of first charge on the stock and receivables, Immovable Property of the Director and further guaranteed by the promoter director)	200.00	99.41	-
(d) Overdraft							
'Kotak Mahindera Bank	For meeting the working capital	8.00%	On Demand	(lien over Fixed deposit of INR 24000000/- before disbursement)	237.31	-	-
(e) Property loan							
'Kotak Mahindera Bank	For Purchase of property	9.25% P.A.	EMI 120 Months	(Secured by way of Immovable Property)	257.00	-	-
Unsecured Loans:							
Loans from Directors and relatives	NA	NA	NA	NA	324.73	375.42	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.4

Restated Statement of Deferred (Tax Liabilities)/Assets

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Deferred tax liability in relation to (A):			
Property, plant, equipments and intengible assets	-	-	0.14
Deferred tax assets in relation to (B):			
Property, plant, equipments and intengible assets	0.13	0.23	-
Provision for employee benefits (Gratuity & Leave encashment)	0.07	0.05	0.01
Total deferred tax assets	**0.20**	**0.28**	**0.01**
Net deferred tax assets/(Liability) (B-A)	**0.20**	**0.28**	**(0.13)**
Deferred Tax Assets Provision			
Opening Balance of DTA/(DTL)	**0.28**	**(0.13)**	**-**
Add: Provision for the year	0.08	(0.41)	0.13
Closing Balance of DTA/(DTL)	**0.20**	**0.28**	**(0.13)**

Annexure – I.5

Restated Statement of Other Long Term Liabilities

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Lease Equilisation	1.40	0.09	0.05
Total	**1.40**	**0.09**	**0.05**

Annexure – I.6

Restated Statement of Long Term Provision

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Provision for Gratuity	0.25	0.18	0.04
Total	**0.25**	**0.18**	**0.04**

Annexure – I.7

Restated Statement of Short Term Borrowings *

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Secured Loans			
(a) From Bank			
- Bank/ Financial Institution	2,584.47	2,261.06	825.68
(b) Unsecured Loans			
- Bank/ Financial Institution	-	-	-
-Current maturities of Long term Loan (Loans from Related Parties)	63.56	63.56	-
Total	**2,648.03**	**2,324.62**	**825.68**

* Refer note no. I.3 for term and condition of short term borrowing

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.8

Restated Statement of Trade Payables

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Trade Payables			
- MSME*	116.81	222.96	755.40
- Others	427.35	106.68	1,057.35
- Disputed dues - MSME*	-	-	-
- Disputed dues - Others	-	-	-
Total	**544.16**	**329.64**	**1,812.75**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing Analysis of Trade Payables

Particulars	Outstanding for following periods from due date of payment As at 31 March, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	116.81	-	-	-	**116.81**
(ii) Others	427.35	-	-	-	**427.35**
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing Analysis of Trade Payables

Particulars	Outstanding for following periods from due date of payment As at 31 March, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	222.96	-	-	-	**222.96**
(ii) Others	106.68	-	-	-	**106.68**
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing Analysis of Trade Payables

Particulars	Outstanding for following periods from due date of payment As at 31 March, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	755.40	-	-	-	**755.40**
(ii) Others	1,057.35	-	-	-	**1,057.35**
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.9

Restated Statement of Other Current Liabilities

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Statutory Dues Payable	204.37	59.16	10.12
Salary Payables	3.51	1.57	0.40
Director's Salary Payable	-	-	-
Other expenses payable	0.62	4.92	1.81
Advances from Customer	0.12	12.66	-
Professional Tax Payable	-	-	-
Acured Interest Payable	-	1.28	-
Forward cover liability	7.02	-	-
Total	**215.64**	**79.59**	**12.33**

Annexure – I.10

Restated Statement of Short Term Provision

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Provision for Income Tax Current for the year	140.91	208.95	91.13
Provision for Gratuity	0.00	0.00	0.00
Total	**140.91**	**208.95**	**91.13**

Annexure – I.11

Restated Statement of Property, Plant and Equipment and Intangible Assets

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
(A) Property, Plant and Equipment			
Office Equipment's			
Gross Block - Opening Balance	2.04	1.23	1.23
Addition/Sale during the year	0.63	0.81	-
Gross Block - Closing Balance	**2.67**	**2.04**	**1.23**
Accumulated Depreciation - Opening Balance	0.47	0.30	0.09
Depreciation during the year	0.34	0.17	0.21
Accumulated Depreciation - Closing Balance	**0.81**	**0.47**	**0.30**
Net Block	**1.86**	**1.57**	**0.93**
Computers & Other Accessories			
Gross Block - Opening Balance	3.50	2.21	2.21
Addition/Sale during the year	1.22	1.29	-
Gross Block - Closing Balance	**4.72**	**3.50**	**2.21**
Accumulated Depreciation - Opening Balance	2.41	1.60	0.23
Depreciation during the year	1.26	0.81	1.37
Accumulated Depreciation - Closing Balance	**3.67**	**2.41**	**1.60**
Net Block	**1.05**	**1.09**	**0.61**
Land			
Gross Block - Opening Balance	-	-	-
Addition/Sale during the year	376.70	-	-
Gross Block - Closing Balance	**376.70**	**-**	**-**
Accumulated Depreciation - Opening Balance	-	-	-
Depreciation during the year	-	-	-
Accumulated Depreciation - Closing Balance	**-**	**-**	**-**
Net Block	**376.70**	**-**	**-**

(All amounts in ₹ lacs, unless otherwise stated)

Furniture & Fittings			
Gross Block - Opening Balance	1.87	1.60	1.60
Addition/Sale during the year	12.30	0.27	-
Gross Block - Closing Balance	**14.17**	**1.87**	**1.60**
Accumulated Depreciation - Opening Balance	0.70	0.42	0.10
Depreciation during the year	0.59	0.28	0.32
Accumulated Depreciation - Closing Balance	**1.29**	**0.70**	**0.42**
Net Block	**12.88**	**1.17**	**1.18**
Gross Block - Opening Balance	7.41	5.04	5.04
Addition/Sale during the year	390.85	2.37	-
Gross Block - Closing Balance	**398.26**	**7.41**	**5.04**
Accumulated Depreciation - Opening Balance	3.57	2.31	0.42
Depreciation during the year	2.19	1.26	1.90
Accumulated Depreciation - Closing Balance	**5.76**	**3.57**	**2.32**
Total Net Block of tangible Assets	**392.50**	**3.84**	**2.72**
(B) Intangible Assets			
Computer Software			
Gross Block - Opening Balance	0.54	0.54	0.54
Addition/Sale during the year	-	-	-
Gross Block - Closing Balance	**0.54**	**0.54**	**0.54**
Accumulated Depreciation - Opening Balance	0.36	0.25	0.07
Depreciation during the year	0.07	0.11	0.18
Accumulated Depreciation - Closing Balance	**0.43**	**0.36**	**0.25**
Net Block	**0.11**	**0.18**	**0.29**
Total Net Block of Intangible Assets	**0.11**	**0.18**	**0.29**

Annexure – I.12

Restated Statement of Long Term Loans & Advances

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Unsecured, considered good			
Capital advances for the purchase of capital assets	14.91	-	-
Total	**14.91**	**-**	**-**

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.13

Restated Statement of Other Non - Current Assets

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Security Deposit	6.67	1.30	1.30
Total	**6.67**	**1.30**	**1.30**

Annexure – I.14

Restated Statement of Inventories

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Stock in trade	1,361.01	231.58	254.51
Total	**1,361.01**	**231.58**	**254.51**

Annexure – I.15

Restated Statement of Trade Receivables

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Unsecured & Considered Good			
Unsecured & Considered Good	2,476.80	2,592.56	2,174.23
Unsecured & Considered doubtful	-	-	-
Less: Provision for doubtful	-	-	-
Total	**2,476.80**	**2,592.56**	**2,174.23**

Ageing Schedule of Trade Receivable

Particulars	Outstanding for following periods from due date of payment As at 31 March 2025						
	Not Due	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	2,476.80	-	-	-	-	**2,476.80**
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	**-**

Ageing Schedule of Trade Receivable

Particulars	Outstanding for following periods from due date of payment As at 31 March 2024						
	Not Due	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	2,592.56	-	-	-	-	**2,592.56**
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	**-**

Ageing Schedule of Trade Receivable

Particulars	Outstanding for following periods from due date of payment As at 31 March, 2023						
	Not Due	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	2,174.23	-	-	-	-	**2,174.23**
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	**-**

(All amounts in ₹ lacs, unless otherwise stated)

Annexure – I.16

Restated Statement of Cash and Bank balance

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Cash and Cash Equivalents			
Cash on hand	-	-	-
Balance With Bank (in Current Accounts)	2.36	6.51	16.17
Balance in deposit accounts with original maturity of less than 3 months	-	-	-
	2.36	**6.51**	**16.17**
Other Bank Balances			
Balance in deposit accounts with original maturity of more than 3 months but less than 12 months	256.05	240.00	28.20
Total	**258.41**	**246.51**	**44.37**

Annexure – I.17

Restated Statement of Short Term Loans and Advances

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Unsecured, considered good			
Advances to employees	6.51	-	13.76
Advances to suppliers	0.53	10.10	0.71
Advance to directors and relatives	-	0.43	17.95
Total	**7.04**	**10.53**	**32.42**

Annexure – I.18

Restated Statement of Other Current Assets

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Prepaid Expenses	33.48	10.36	7.74
Interest Accrued on Fixed Deposit	1.64	1.72	-
Balance with Government authorities	1,196.95	1,405.16	698.79
Forward Cover assets	-	3.51	-
Total	**1,232.07**	**1,420.75**	**706.53**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Annexure –II.1

Restated Statement of Revenue from operations

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Sale of Products			
Sales from Operations			
- Export Sales	23,445.88	42,820.67	24,198.67
- Domestic Sales	4,344.58	51.01	1,088.67
Total	**27,790.46**	**42,871.68**	**25,287.34**

Annexure –II.2

Restated Statement of Revenue from Other Income

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Interest on FDR	17.72	2.04	0.19
Gain on Forward Conttract	-	3.51	-
Commission inccome	-	-	13.40
Provision no longer required, written back	-	1.99	0.08
Other Misc. Income	-	-	0.26
Drawback	183.97	309.45	74.41
Rodtep	13.53	23.96	5.17
Discount Received	-	8.33	-
Realised foreign exchange Gain/Loss	109.62	44.55	318.73
Unadjusted Forex Gain/Loss as per AS-11	-	37.57	7.19
Total	**324.84**	**431.40**	**419.43**

Annexure-II.3

Restated Statement of Purchase of Stock-In-Trade

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Purchase (refer note-(a) below)	27,855.44	41,843.08	25,016.44
Total	**27,855.44**	**41,843.08**	**25,016.44**

Note (a) Value of imported and indigenous materials purchased

	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Imported	-	-	-
Indigenous	27,855.44	41,843.08	25,016.44
	27,855.44	**41,843.08**	**25,016.44**

Annexure –II.4

Restated Statement of Changes in inventories of Stock- in -Trade

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Stock at the end of the year (A)			
Stock in trade	1,361.01	231.58	254.51
	1,361.01	**231.58**	**254.51**
Stock at the beginning of the year (B)			
Stock in trade	231.58	254.51	-
	231.58	**254.51**	**-**
Total (B-A)	**(1,129.43)**	**22.93**	**(254.51)**

Annexure –II.5

Restated Statement of Employees Benefit Expenses

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Salaries, Wages & Bonus	22.70	12.38	26.65
Gratuity expenses	0.07	0.14	0.04
Total	**22.77**	**12.52**	**26.69**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Annexure –II.6

Restated Statement of Financial Charges

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Interest on Loan	172.36	114.65	47.09
Interest on statutory dues	43.38	12.42	0.63
Processing Charges	14.10	16.54	-
ECGC Premium	15.75	-	-
Total	**245.59**	**143.61**	**47.72**

Annexure –II.7

Depreciation and amortisation expenses

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Depreciation on tangible assets [Refer annexure no. I.11]	2.19	1.26	1.90
Depreciation on intangible assets [Refer annexure mo. I.11]	0.07	0.11	0.18
Total	**2.26**	**1.37**	**2.08**

Annexure –II.8

Restated Statement of Other Expenses

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Packing Charges	0.71	1.14	0.46
CHA Agency and Clearing Charges	10.83	25.04	19.06
Travelling & Conveyance & TA/DA	1.50	4.98	2.24
Communication Expenses	0.84	0.15	1.37
Business Support Services	66.47	21.16	81.03
Bank Charges	22.75	12.01	27.54
CSR Expenses	8.93	-	-
Office Expenses	7.48	3.11	3.51
Rent	21.93	7.02	5.64
Professional and consultancy fees	19.76	59.88	25.31
Insurance Charges	8.06	20.93	13.25
Printing & Stationary	0.23	0.48	0.31
Discount Paid	-	9.19	-
Rate & Taxes	11.20	0.72	-
Misc. Expenses	0.17	0.16	0.13
Commission	41.42	26.07	1.58
Sales Promotion & Advertisement Exp	23.84	52.25	37.80
Subscription Charges	6.93	6.76	2.89
Auditor's remuneration	5.35	3.59	0.91
Freight charges	86.08	96.82	126.28
Warehousing charges	0.83	2.35	1.11
Forward Booking Charges	139.57	91.82	41.32
Unadjusted Forex Gain/Loss as per AS-11	32.92	-	-
Total	**517.80**	**445.63**	**391.74**
Note- Auditor's remuneration includes:			
Statutory Audit Fees	5.00	3.59	0.91
Other services	0.35	-	-
Total	5.35	3.59	0.91

Annexure –II.9

Restated Statement of Provision For Taxation

Particulars	For the year ended 31 March 25	For the year ended 31 March 24	For the year ended 31 March 23
Current Tax	172.22	220.12	124.43
Deferred tax charge/ (benefit)	0.08	(0.41)	0.13

Kanone Technologies Limited
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ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Net Profit as Restated	428.57	614.23	352.05
Add: Depreciation	2.26	1.37	2.08
Add: Interest on Loan	245.59	143.61	47.72
Add: Income Tax/Deferred Tax	172.30	219.71	124.56
Less: Other Income	(324.84)	(431.40)	(419.43)
EBITDA	**523.88**	**547.52**	**106.98**
EBITDA Margin (%)	**1.89%**	**1.28%**	**0.42%**
Opening Net Worth as Restated	1,252.60	474.26	122.21
Closing Net Worth as Restated	1,681.17	1,252.60	474.26
Average Net Worth as Restated	1,466.88	863.43	298.24
Return on Net worth (%) as Restated	**29.22%**	**71.14%**	**118.05%**
Equity Share at the end of year (in Nos.) (Pre-Bonus)	9,493,140	2,091,000	1,000,000
Equity Share at the end of year (in Nos.) (Post-Bonus)	9,493,140	9,493,140	4,540,000
Weighted No. of Equity Shares	9,493,140	5,498,039	4,540,000
Net Asset Value per Equity share as Restated (Pre Bonus issue)	**17.71**	**59.90**	**47.43**
Net Asset Value per Equity share as Restated post bonus issue	**17.71**	**13.19**	**10.45**
Basic & Diluted Earnings per Equity Share as Restated (Post bonus issue)	**4.51**	**11.17**	**7.75**
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00
Current Assets (A)	5,335.33	4,501.93	3,212.06
Current Liabilities (B)	3,548.74	2,942.80	2,741.89
Current Ratio (A/B)	**1.50**	**1.53**	**1.17**
Debt	3,166.19	2,636.48	825.68
Equity	1,681.17	1,252.60	474.26
Debt Equity Ratio (In Times)	**1.88**	**2.10**	**1.74**
EBIT	846.46	977.55	524.33
Interest+Principal	328.20	359.38	79.60
Debt Service Coverage Ratio	**2.58**	**2.72**	**6.59**
PAT	428.57	614.23	352.05
Average Shareholder's Fund	1,466.88	863.43	298.24
Return On Equity (%)	**29.22%**	**71.14%**	**118.05%**
Opening Inventory	231.58	254.51	-
Closing Inventory	1,361.01	231.58	254.51
Average Inventory	796.30	243.05	127.26
Cost of Goods Sold (COGS)	26,726.01	41,866.01	24,761.93
Inventory Turnover Ratio (In Times)	**33.56**	**172.25**	**194.58**
Opening Trade Receivable	2,592.56	2,174.23	11.01
Closing Trade Receivable	2,476.80	2,592.56	2,174.23
Avg Trade Receivable	2,534.68	2,383.40	1,092.62
Revenue From Operation	27,790.46	42,871.68	25,287.34
Trade Receivables turnover ratio (In times)	**10.96**	**17.99**	**23.14**
Purchase	27,855.44	41,843.08	25,016.44
Opening Trade Payable	329.63	1,812.75	285.85
Closing Trade Payable	544.16	329.63	1,812.75
Average Trade Payable	436.90	1,071.19	1,049.30
Trade Payable Ratio (In Times)	**63.76**	**39.06**	**23.84**
Revenue From Operation	27,790.46	42,871.68	25,287.34
Average Working Capital	1,672.86	1,014.64	292.74
Net Working Capital Turnover Ratio (In Times)	**16.61**	**42.25**	**86.38**
Revenue From Operation	27,790.46	42,871.68	25,287.34
PAT	428.57	614.23	352.05
N P Ration (In %)	**1.54%**	**1.43%**	**1.39%**
EBIT	846.46	977.55	524.33
Opening Capital Employed	1,564.72	474.48	122.21
Closing Capital Employed	2,200.98	1,564.72	474.48
Average Capital Employed	1,882.85	1,019.60	298.34
Return on Capital Employed (In %)	**44.96%**	**95.88%**	**175.75%**
Net PAT	428.57	614.23	352.05
Opening shareholder's fund	1,252.60	474.26	122.21
Closing shareholder's fund	1,681.17	1,252.60	474.26
Average shareholder's fund	1,466.88	863.43	298.24
Return on Investments (In %)	**29.22%**	**71.14%**	**118.05%**

Note:-
EBITDA Margin = EBITDA/Revenue from operations
Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
Return on Net worth (%) = Restated Profit after taxation / Average Net worth x 100
Net asset value/Book value per share (₹) = Net worth / No. of equity shares
The Company does not have any revaluation reserves or extra-ordinary items.

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ANNEXURE –VII

Statement of Capitalization, As Restated *(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	Pre-Issue 31 March 2025	Post Issue*
Debt :		
Short Term Debt	2,648.03	-
Long Term Debt	518.16	-
Total Debt	**3,166.20**	**-**
Shareholders Funds		
Equity Share Capital	949.31	-
Reserves and Surplus	731.86	-
Less: Misc. Expenditure	-	-
Total Shareholders' Funds	**1,681.17**	**-**
Long Term Debt/ Shareholders' Funds	***0.31***	**-**
Total Debt / Shareholders Fund	***1.88***	**-**

* The post issue capitalization will be determined only after the finalisation of issue price

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ANNEXURE –VIII

Statement of Tax Shelter, As Restated *(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Profit Before Tax as per books of accounts (A)	**600.87**	**833.94**	**476.61**
-- Normal Tax rate	26.00%	26.00%	26.00%
-- Minimum Alternative Tax rate	16.69%	16.69%	16.69%
Permanent differences			
Expenses Disallowances	60.79	12.39	0.58
Other Adjustments	-	-	-
Total (B)	**60.79**	**12.39**	**0.58**
Timing Differences			
Depreciation as per Books of Accounts	2.26	1.37	2.08
Depreciation as per Income Tax	1.96	1.22	0.94
Difference between tax depreciation and book depreciation	0.30	0.15	1.14
Other adjustments	0.44	0.14	0.24
Total (C)	**0.73**	**0.29**	**1.38**
Net Adjustments (D = B+C)	**61.52**	**12.68**	**1.96**
Total Income (E = A+D)	**662.40**	**846.62**	**478.57**
Brought forward losses set off /Unabsorbed Depreciation (F)	-	-	-
Taxable Income/ (Loss) for the year (E+F)	**662.40**	**846.62**	**478.57**
Tax Payable for the year	172.22	220.12	124.43
Tax payable as per MAT	100.30	139.20	79.56
Tax expense recognised	**172.22**	**220.12**	**124.43**
Tax payable as per normal rates or MAT (whichever is higher)	**Income Tax**	**Income Tax**	**Income Tax**

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ANNEXURE –IX

Statement of Related Parties & Transactions *(All amounts in ₹ lacs, unless otherwise stated)*

The Company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Enterprises exercising significant control :	**Relationship**
Safa Systems & Technologies Limited	Holding company

Name of the key managerial personnel/Entity/Relative of KMPs	**Relationship**
Faizal Bavaraparambil Abdul Khader	Director of the company
Vivek Vilas Joshi	Director of the company
Adarsh Punnakkattu Vinu	Director of the company
Anaz Abdul Khader Bavaraparambil	Director of the company
Sruthi Mohammed Ali	Managing Director of the company
Ambily George	CFO of Company
Shalu Gupta (till 14-09-2024)	Company Secretary of Company
Sweety Jhunjhunwala (w.e.f 15-09-2024 till 16-08-2025)	Company Secretary of Company
Deepak Malhotra (w.e.f 15-09-2025)	Company Secretary of Company
Kanone Petrochem Private Limited	Entity under common control of Director
Safa Plywoods Private Limited	Entity under common control of Director
Arshveer Traders Private Limited	Entity under common control of Director
Beatrix Import And Export Overseas Private Limited	Entity under common control of Director
Manzoor Kidhwai	Relative of KMP
Dheena Mohammed Sharafu	Relative of KMP
Laya Muhammed Ali	Relative of KMP
PI Muhammed Ali	Relative of KMP
Sayeeda Beevi	Relative of KMP

Entities owned or significantly influenced by key management personnel or other relatives

Transactions with Related Parties:

Particulars	**For the year ended 31 March 25**	**For the year ended 31 March 24**	**For the year ended 31 March 23**
salary expenses to			
Shalu Gupta	1.70	0.14	-
Sruthi Mohammed Ali	3.00	-	-
Sweety Jhujunwala	1.20	-	-
Ambily George	3.48	-	-
Loan taken from			
Faizal BA	6.32	451.02	3.35
Sruthi Mohammed Ali	-	10.23	24.57
Safa System & Technologies Limited	538.90	-	-
Loan repaid to			
Faizal BA	72.02	60.60	3.35
Sruthi Mohammed Ali	-	10.23	25.00
Safa System & Technologies Limited	538.90	-	-
Loan given to			
Faizal BA	-	-	2.52
Loan & advances received back from			
Faizal BA	15.00	2.52	25.00
Sruthi Mohammed Ali	0.43	-	-
Purchase of Goods			
Safa System & Technologies Limited	1,784.57	5,513.92	17,046.60

Services purchased during the year			
Safa System & Technologies Limited	-	34.94	67.25
Manzoor Kidhwai	5.62	5.62	4.54
PI Muhammed Ali	5.62	5.62	4.54
Sayeeda Beevi	5.62	5.62	4.54
Expenses done on behalf of company			
Safa System & Technologies Limited	-	0.06	1.04
Faizal BA	0.92	9.36	9.87
Sale of Goods and Services to			
Safa System & Technologies Limited	-	18.74	213.19

Balance outstanding at year end

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
Sundry Creditor;			
Safa System & Technologies Limited	(0.04)	0.40	1,028.17
Loan & advances receivable from;			
Faizal BA	-	15.00	17.52
Sruthi Mohammed Ali	-	0.43	0.43
Loan Payable To;			
Faizal BA	324.73	390.42	
Sruthi Mohammed Ali	-	(0.43)	
Reimbursement payable to;			
Faizal BA	-	-	-
Salary Payable;			
Sruthi Mohammed Ali	2.55	-	-

ANNEXURE –X

Statement of Dividends			
No Dividend Paid till Date	-	-	-

ANNEXURE –XI

Changes in the Significant Accounting Policies

There have been no changes in the accounting policies of the company for the period covered under audit.

ANNEXURE –XII

Contingent Liabilities:

Particulars	As at 31 March 2025	As at 31 March, 2024	As at 31 March 2023
a. Estimated amount of contracts remaining to be executed and not provided for	-	-	-
b. Claims against the Company not acknowledged as debt*	-	-	-
c. Bank Guarantees	-	-	-
d. Outstanding Tax Demand with Respect to any Revenue Authorities	-	-	-

KANONE

OTHER FINANCIAL INFORMATION

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Amt. in Lakhs

Particulars	31st March 2025	31St March 2024	31St March 2023
Net Worth (A) (₹ in Lakhs)	1,681.17	1,252.60	474.26
EBITDA (₹ in Lakhs)	523.88	547.52	106.98
Restated PAT (B) (₹ in Lakhs)	428.57	614.23	352.05
Earnings per Share			
Restated basic and diluted earnings per share	4.51	11.17	7.75
Return on Net Worth (%) (B/A)	29.22%	71.14%	118.05%
Net asset value per share - Post Bonus	17.71	13.19	10.45

*1) **The ratios have been computed as below**:*
(a) Basic earnings per share (Rs.): Net profit after tax, as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year
(c) Return on net worth (%): Net profit after tax, as restated /Average Net worth of the period or year
(d) Net assets value per share -: Net Worth at the end of the period or year /Post Bonus Total number of equity shares outstanding at the end of the period or year
2) The figures disclosed above are based on the restated summary statements of the company.
3) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows.
4) The Company had issued 74,02,140 Equity Shares of face value of ₹ 10/- as on 4th July 2024, through a bonus share issue in the ratio of 177:50 to all existing shareholders of the Company such bonus issuance have been considered while deriving at Net asset value per Equity Share and Basis and Diluted Earnings per Equity Share.

For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 258.

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CAPITALISATION STATEMENT

The Capitalisation Statement derived from Restated Financial Statements and changed as per the current shareholding pattern is required to be disclosed under the SEBI ICDR Regulations are set forth below:

Amount (Rs. In Lakhs)

Particulars	*Pre-Issue*	*Post Issue*
Borrowings		
Short term debt (A)	2,648.03	*
Long Term Debt (B)	518.16	*
Total debts (C)	3,166.20	*
Shareholders' funds		
Equity share capital	949.31	*
Reserve and surplus - as restated	731.86	*
Total shareholders' funds	1,681.17	*
Long term debt / shareholders funds	0.31	*
Total debt / shareholders funds	1.88	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

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FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, Kanone Technologies Limited (Formerly known as Kanone Technologies Private Limited) and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at March 31, 2025 are as mentioned below:

(All amounts in ₹ lakhs, unless otherwise stated)

Nature of Borrowing	Outstanding as on 31/03/2025
Secured Loan (A)	2,841.47
Unsecured Loan (B)	324.73
Total	**3,166.20**

A. Secured Loans

(All amounts in ₹ lakhs, unless otherwise stated)

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Outstanding As on 31/03/2025
State Bank of India EPC	Working Capital	2,000.00	1,996.89
Kotak Mahindra Bank	Working Capital	240.00	237.32
State Bank of India CC/OD	Working Capital	150.00	150.26
State Bank of India Bill Discounting	Working Capital	200.00	200.00
Kotak Mahindra Bank- Property Loan	Commercial Property Purchase	307.00	257.00
Total		**2,897.00**	**2,841.47**

1. State Bank of India EPC:

Facility	Working Capital
Overall Loan Limit	2,000.00 Lakhs
Date of Sanction	30-10-2023
Interest	7.65% p.a
Repayment	On Demand
Primary Security	Hypothecation of Stocks and Receivables
Collateral Security:	Third Party & Immovable Property Guarantee (Refer Annexure-A)
Personal Guarantee	Faizal B A, Manzoor Kidhwai, Muhamed Ali P I, Sayeeda Beevi Muhammed, Sruthi Muhammed Ali, Riyas K A, Suhara Khader

2. **Kotak Mahindra Bank:**

Facility	Working Capital
Overall Loan Limit	240.00 Lakhs
Date of Sanction	20-02-2024
Interest	Fixed Rate of 8.00% p.a (FD Rate -7.25% + Spread -0.75%)
Repayment	On Demand
Primary Security	N/A
Collateral Security:	Lien over Fixed Deposits of INR 240,00,000/- before disbursement ROC charge to be created against Rs.240.00 lakhs. FD within 30 days of Disbursement Rs. 240.00 lakhs FD need to book in the name of M/s. Kanone Technologies Private Limited
Personal Guarantee	N/A

3. **State Bank of India CC/OD:**

Facility	Working Capital
Overall Loan Limit	150.00 Lakhs
Date of Sanction	30-10-2023
Interest	10.40% p.a
Repayment	On Demand
Primary Security	Hypothecation of Stocks and Receivables
Collateral Security:	Third Party & Immovable Property Guarantee (Refer Annexure-A)
Personal Guarantee	Faizal B A, Manzoor Kidhwai, Muhamed Ali P I, Sayeeda Beevi Muhammed, Sruthi Muhammed Ali, Riyas K A, Suhara Khader

4. **State Bank of India Bill Discounting:**

Facility	Working Capital
Overall Loan Limit	200.00 Lakhs
Date of Sanction	30-10-2023
Interest	9.70% p.a
Repayment	On Demand
Primary Security	Counter Guarantee of the borrower. Extension of Charge on Current Assets of the Unit
Collateral Security:	Third Party & Immovable Property Guarantee (Refer Annexure-A)
Personal Guarantee	Faizal B A, Manzoor Kidhwai, Muhamed Ali P I, Sayeeda Beevi Muhammed, Sruthi Muhammed Ali, Riyas K A, Suhara Khader

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5. Kotak Mahindra Bank- Property Loan

Facility	Commercial Property Purchase
Overall Loan Limit	307.00 Lakhs
Date of Sanction	25-12-2024
Interest	9.25% p.a
Repayment	On Demand
Primary Security	N/A
Collateral Security:	Secured by way of Immovable Property
Personal Guarantee	N/A

B. Unsecured Loans

(All amounts in ₹ lacs, unless otherwise stated)

Name of Lender	Purpose	Date of Sanctioned	Repayment Terms	Outstanding As on 31/03/2025
-Faizal BA (Loans from Directors and relatives)	Business	14/04/2023	Monthly	324.73

For Kapish Jain & Associates,
Chartered Accountants,
Firm Registration No: 022743N

Sd/-

CA Vikas Katyal
Partner
Membership No: 512562
UDIN: 25512562BMIGNQ8500
Place: New Delhi
Date: September 24, 2025

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Annexure-A

Equitable Mortgage over the following properties.
(1) 470.68 Ares of land in Sy No. 497/1, 497/1/1, 500, 500/1, 500/2, 500/3/1, 500/4 & 501 in Muthalamada village, Chittur Taluk Palakkad District belongs to Muhammed Ali and Sayeeda Muhammed vide Title deed no:3254/2012, 3338/2012, 647/2013, 722/2020.
(2) 6.86 Ares of land in RSy No.420/14, 420/13, 420/14 and 420/12 in Block No.9 of Kakkanad Village, Kanayannur Taluk, Ernakulam Dist owned by Manzoor Kidhwai vide Deed No. 2615/12 and 674/09 of SRO Trikkakara
(3) 1.94 Ares of Land together with the building in Sy.no 463/1-3 in Poonithura Village, Kanayannur Taluk, Ernakulam Dist owned by Smt. Suhara A.Khader vide Deed No 230/ 2013 of SRO Maradu.
(4) Total extant of 110.67 Ares, (28.50 Ares of land together with the building in Re. Sy No 450/8 (Old Sy.No's360/1/3/1, 361/5/1, 361/5/3, 362/7, 362/8/1, 362/11, 362/13, 362/10A & 362/10B) and 82.17 Ares of land in Re.SyNo.455/4 (59Ares), 455/8-2 (2.02Ares) & 455/13 (21.15Ares), (Old Sy.No360/1/3/1, 361/5/1/, 361/5/3, 362/7, 362/8/1,362/11, 362/13, 362/10A & 362/10B) in Block 22 in Arakkapady Village, Kunnathunad Taluk, Ernakulam District in the name of Dr.Riyas vide Title deed No.6936 of 2012 of SRO Perumbavoor.
(5) 5.48 Ares of land in Re.Sy.No 463/12-3-2, Block 22 (Old SyNo.379/4A/1, 379/3/2, 379/3/1 & 435/5) in Arakkapady Village, Kunnathunad Taluk Ernakulam District, in the name of Dr. Riyas K A videTitle deed No.2326 of 2022 of SRO Perumbavoor.
(6) 15.70 Ares of land in Re.Sy No 464/12/4 (15.36 Ares) and 464/12/3/1/2 (0.34 Ares) in block 22 (Old SyNo.379/5/1, 379/5/2, 379/5/3, 379/5/5, 379/5/6, 379/5/7 and 279/5/1) in Arakkappady Village Kunnathunad Taluk, Ernakulam District in the name of Sri.Riyas K A and Smt.Suhara A Khader vide Title Deed No 912 of 2017 of SRO Perumbavoor.

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MANAGEMENTS' DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Kanone Technologies Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Years 2025, 2024 and 2023 included in this Draft Prospectus beginning on page of this Draft Prospectus.

BUSINESS OVERVIEW

Our Company was incorporated on September 29, 2021 as 'Kanone Technologies Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 04, 2021 issued by the Registrar of Companies, Ernakulam having Corporate Identification Number U74999KL2021PTC071243. Subsequently, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on March 14, 2024 and the name of our Company was changed from "Kanone Technologies Private Limited" to "Kanone Technologies Limited", vide certificate of incorporation dated June 28, 2024 issued by the Registrar of Companies, Ernakulam having the Corporate Identification Number of the Company is U74999KL2021PLC071243.

Kanone Technologies Limited started its operations in September 2021 to be part of global export supply chain, starting with the exports of mobile phones and accessories of popular brands to Dubai Via Mumbai, Kochi and Delhi. Our 90% exports are via air and rest via sea ports from Mumbai, Kochi and Chennai. We started our business by exporting smart phones and other electronic gadgets to Dubai and have now branched out to diverse products to our customers. Our core business revolves around sourcing, merchandising, and exporting a wide range of electronic goods, including but not limited to consumer electronics, home appliances, communication devices, and electronic accessories. All the operations of Kanone are bound by terms of purchase order with all customers in Dubai.

KEY PERFORMANCE INDICATORS OF OUR COMPANY

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Information included in this Draft Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their

comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.
The following table sets forth certain of our key performance indicators for the periods indicated below.

Amount (Rs. in Lakhs except percentages and ratios)

Key Financial Performance	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from operations [(1)]	27,790.46	42,871.68	25,287.34
EBITDA [(2)]	523.88	547.52	106.98
EBITDA Margin [(3)]	1.89%	1.28%	0.42%
PAT [(4)]	428.57	614.23	352.05
PAT Margin [(5)]	1.54%	1.43%	1.39%
Net Worth [(6)]	1,681.17	1,252.60	474.26
Return on Net Worth [(7)]	29.22%	71.14%	118.05%
RoCE [(8)]	44.96%	95.88%	175.75%

Notes:

(1) Revenue from operations' means the Revenue from operations as appearing in the Restated Financial Statement.
(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 is mentioned as profit after tax for the period.
(5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
(6) Net Worth means the aggregate value of the paid-up share capital and reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss). of the company.
(7) ROE/RONW: Return on Equity is calculated as PAT divided by Average shareholders' fund.
(8) ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined as shareholders' equity plus Long Term-borrowings.

For further detail on Key Performance Indicators of our company, please refer Chapter Titled "Basis of Offer Price" on page 124 of this Draft Prospectus.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has appointed Mr. Deepak Malhotra as Company Secretary and Compliance Officer as on 15 September, 2025
- The Company has approved the Restated Financial Statements for the financial year ending March 31 2025, March 31, 2024 and March 31, 2023 in the Board meeting dated September 24, 2025.
- Our Company has approved the Draft Prospectus vide resolution in the Board Meeting dated September 25, 2025.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor"* beginning on page 31of this Draft Prospectus. Our results of operations and financial conditions

are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customers would have a material adverse effect on our business, cash flows, results of operations and financial condition.
- We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- As our major revenue is from exports, change in any export policies may impact our revenue.
- Failure to adapt to the changing needs of industry may adversely affect our business and financial condition;
- Inflation, deflation, unanticipated turbulence in interest rates,
- Our dependence on our key personnel, including our directors and senior management;
- Our ability to successfully implement our business strategy and plans;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control.

DISCUSSION ON RESULT OF OPERATION

(Amount in Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025	%age of Total Income	For the year ended 31 March, 2024	%age of Total Income	For the year ended 31 March, 2023	%age of Total Income
Income						
Revenue from Operations	27,790.46	98.84	42,871.68	99	25,287.34	98.37
Other Income	324.84	1.16	431.40	1	419.43	1.63
Total Income (I + II)	**28,115.30**	**100.0**	**43,303.08**	**100.0**	**25,706.77**	**100.0**
Expenditure						
Purchase of Stock in trade	27,855.44	99.08	41,843.08	96.63	25,016.44	97.31
Changes in inventories of stock in trade	(1,129.43)	(4.02)	22.93	0.05	(254.51)	(0.99)
Employee benefits expenses	22.77	0.08	12.52	0.03	26.69	0.10
Finance Cost	245.59	0.87	143.61	0.33	47.72	0.19
Depreciation & Amortization Expenses	2.26	0.01	1.37	0.00	2.08	0.01
Other expenses	517.80	1.84	445.63	1.03	391.74	1.52
Total expenses	**27,514.43**	**97.86**	**42,469.14**	**98.07**	**25,230.16**	**98.15**
Profit before Taxation & Exceptional Item	**600.87**	**2.14**	**833.94**	**1.93**	**476.61**	**1.85**
Exceptional Items	-	-	-	-	-	-
Profit Before Taxation	**600.87**	**2.14**	**833.94**	**1.93**	**476.61**	**1.85**
Current Tax	172.22	0.61	220.12	0.51	124.43	0.48
Deferred Tax	0.08	0.00	(0.41)	0.00	0.13	0.00
Earlier Years Tax Expense	-	-	-	-	-	-
Total tax expense	**172.30**	**0.61**	**219.71**	**0.51**	**124.56**	**0.48**

Profit After Tax but Before Extra-ordinary Items	**428.57**	**1.52**	**614.23**	**1.42**	**352.05**	**1.37**
Extraordinary Items	-	-	-	-	-	-
Profit Attributable to Minority Shareholders	-	-	-	-	-	-
Net Profit after adjustments	**-**	**-**	**-**	**-**	**-**	**-**
Net Profit Transferred to Balance Sheet	**428.57**	**1.52**	**614.23**	**1.42**	**352.05**	**1.37**

Revenue Bifurcation

Product wise bifurcation

Product wise bifurcation is mentioned under chapter titled 'our business' on page 151 of this Draft Prospectus under the head 'Product wise revenue breakup'.

Geographical bifurcation

Geographical bifurcation is mentioned under chapter titled 'our business' on page 151 of this Draft Prospectus under the head 'Geographical wise revenue breakup'.

Key performance Indicators

For significant key performance indicators, please refer to KPI under chapter titled "Basis of Issue Price" beginning on page 124 of this Draft Prospectus**.**

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled "Financial Statements" beginning on page 222 of the Draft Prospectus.

Changes in Accounting Policies in Previous 3 years

Except as mentioned in the Notes to the Accounts in the chapter "Restated Financial Information" on page 222 of this Draft Prospectus has been no change in accounting policies in last 3 years.

Reservations, Qualifications and Adverse Remarks

The Examination Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the Financial Year 2025, 2024 & 2023. Our revenue and expenses are reported in the following manner in table specified above as "Discussion on Result of Operation".

Revenue Recognition Method adopted by the company

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods
Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income
Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend income
Dividend income on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company's right to receive dividend is established.

Revenues

- **Revenue of operations**
  Our Company's revenue is primarily generated from the sale of electronic devices such as mobile phones, airpods, hairdryers etc. outside and in India.

- **Other Income**
  Other Income includes Interest on FDR, foreign exchange gain, interest income, duty drawback, Rodtep claim and other miscellaneous income.

Expenditure

Our total expenditure primarily consists of purchase of stock in trade, change in inventory, Employee benefit expenses, and Other Expenses. We also have incurred financial charges and depreciation as expenditure, which we have shown separately from total expenditure.

- **Purchase of stock in trade**
  It includes indigenous purchase of traded goods such as mobile phones, Airpods, Hairdryers etc. and also includes direct expense such as business support service which is incurred directly to procure the goods.

- **Change in inventory of stock in trade**
  It includes difference between opening stock in trade and closing stock in trade.

- **Employment Benefit Expenses**
  Our employee benefits expense primarily comprises of Salaries and Wages, Director's Remuneration and gratuity expenses.

- **Finance Cost**
  It includes Interest Expense incurred on various things such as term loan, working capital loan, Processing charges other Financial and borrowing cost incurred.

- **Depreciation and Amortization Expenses**
  Depreciation includes depreciation on, Furniture & Fixtures, Computers, etc.

- **Other Expenses**
  Other Expenses includes travelling and conveyance, freight charges, professional and consultancy fees, sales Promotion and advertisement expenses, rent and other miscellaneous expenses.

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DETAILS OF FINANCIAL YEAR 2025 COMPARED TO FINANCIAL YEAR 2024 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

- **Total Income**

  Total Income for the financial year 2024-25, stood at Rs. 28,115.30 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 43,303.08 Lakhs, representing a decrease of 35.07%. This is due to decrease in revenue from operations.

Particulars	FY 2024-25	FY 2023-24
Income		
Revenue from Operations	27,790.46	42,871.68
As a % of Total Income	98.84	99.00
Other Income	324.84	431.40
As a % of Total Income	1.16	1.00
Total Income	**28,115.3**	**43,303.08**

- **Revenue from operations**

  Net revenue from operations for the financial year 2024-25, stood at Rs. 27,790.46 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 42,871.68 Lakhs, representing a decrease of 35.18%. The decline in revenue from operations was attributable to following points:

  - **Loss of Key Overseas Customer:** A major Iraq customer discontinued purchases in the first quarter because the Company required 100% advance payment, which could not be met due to the customer's banking constraints. This led to a significant drop in export orders.
  - **Extended Credit Terms:** Average trade-receivable days increased from 15–20 days to 30–35 days, slowing cash inflows. The longer collection cycle tightened liquidity and constrained sales growth.
  - **Diversion of Resources to E-commerce:** Management and financial resources were significantly allocated to the e-commerce expansion initiative, which temporarily diverted focus and funding from the Company's core operations, contributing to lower revenues.

- **Other Income**

  Other Income for the financial year 2024-25, stood at Rs. 324.84 Lakhs whereas in Financial Year 2023-24 it stood at Rs.431.40 Lakhs, representing a decrease of 24.70%. The reduction was largely attributable to lower exports during the year, which in turn led to lower accruals from duty drawback as in FY 2023-24 it incurred duty drawback of Rs. 309.45 lakhs which was reduced to Rs. 183.97 lakhs.

Expenditure

- **Total Expenses**

  Total Expenses for the financial year 2024-25, stood at Rs. 27,514.43 Lakh whereas in Financial Year 2023-24 it stood at Rs.42,469.14 Lakh, representing a decrease of 35.21%. which is in line with revenue from operations and further bifurcation is provided below.

- **Purchase of Stock in trade**

  Total purchase of Stock in Trade for the financial year 2024-25, stood at Rs. 27,855.44 Lakh whereas in

Financial Year 2023-24 it stood at Rs. 41,843.08 Lakh representing a decrease of 33.43%. This was primarily due to lower revenue from operations incurred during the year. Percentage of purchase in stock in respect with total income increased from 96.63% to 99.08%, yet the cost of goods sold percenatage is increasing from 97.65% to 96.17% as can be seen in table below.

(Rs. In lakhs, unless otherwise stated)

Particulars	FY 2024-25	FY 2023-24
Revenue from Operations (A)	27,790.46	42,871.68
Purchase of Stock in Trade	27,855.44	41,843.08
Changes in inventory	(1,129.43)	22.93
Total cost of Goods sold (B)	26,726.01	41,866.01
Gross Profit Margin (B)/(A)	96.17%	97.65%

The reduction in the cost of goods sold as a percentage of revenue was driven by higher margins from e-commerce sales. Furthermore, the Company shortened its payment cycle from 9 days in FY 2023-24 to 6 days in FY 2024-25, enabling it to avail cash discounts from suppliers, which further lowered overall COGS.

- **Changes in inventory**

  Total changes in inventory for the financial year 2024-25, stood at Rs. (1,129.43) lakhs whereas in Financial Year 2023-24 it stood at Rs. 22.93 Lakhs, representing a decrease of Rs. (1,152.36) lakhs.This significant change is primarily attributable to the company's foray into e-commerce trade. In alignment with agreements made with e-commerce aggregators, the company was required to maintain specific inventory levels to support online sales channels. Consequently, this led to a notable increase in closing inventory, which is reflected in the negative change in inventory for the year.

- **Employment Benefit Expenses**

  Employee benefit expenses for the financial year 2024-25, stood at Rs. 22.77 Lakhs whereas in Financial Year 2023-24 it stood at Rs 12.52 representing an increase of 81.87%, due to employment of CFO and CS in the company in March 2024, and as Managing Director Mrs. Sruthi Muhammed Ali started withdrawing salary in FY 2024-25 leading to increase in employee benefit expense.

- **Other Expenses**

  The Other Expenses for the financial year 2024-25, stood at Rs. 517.68 Lakhs whereas in Financial Year 2023-24 it stood at Rs.445.62 Lakhs, representing an increase of 16.17% of the other expenses incurred during the full financial year. It was due to foreign exchange loss as per AS 11 and high business support service charge incurred by the company, due to e-commerce setup.

- **Depreciation and Amortization Expenses**

  The Depreciation and Amortization Expenses for the financial year 2024-25, stood at Rs. 2.26 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 1.37 Lakhs, representing an increase of 64.96%. This increased due to purchase of furniture and fittings, office equipment and other PPE of ₹14.15 lakhs. It is calculated for the period and values, as per the utilization of assets for the Company’s business.

- **Finance Cost**

  Finance Cost for the financial year 2024-25, stood at Rs. 245.59 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 143.61 Lakhs, representing an increase of 71.01%.

Key Reasons for Increase:

- **Additional Overdraft Facility**: An overdraft facility of ₹240 Lakhs was availed from Kotak Mahindra Bank, resulting in higher interest outgo.
- **New Property Loan**: The Company also obtained a property loan of ₹307 Lakhs from Kotak Mahindra Bank, which further added to the interest expense.

- **Restated Profit before Tax**

  The restated profit before tax for the financial year 2024-25, stood at Rs. 600.86 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 833.95 Lakhs, which represents 2.16% and 1.95% of the revenue from operations of corresponding periods respectively, which is similar to that of previous year.

- **Restated Profit after Tax**

  The restated profit after tax for FY 2024-25 stood at ₹428.57 lakhs, compared with ₹614.28 lakhs in FY 2023-24, representing 1.54% and 1.43% of revenue from operations for the respective periods, in line with profit before tax. The increase in margin was driven by the initiation of the e-commerce business in the last quarter of FY 2024-25, generating sales of ₹1,108.03 lakhs—about 4% of total revenue from operations—which contributed to the slight improvement in profit margins.

DETAILS OF FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

- **Total Income**

  Total Income for the Financial Year 2023-24, it stood at Rs. 43,303.08 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 25,706.96 Lakhs representing an increase of 68.45%. This is due to increase in revenue from operations.

- **Revenue of operations**

  Net revenue from operations For the Financial Year 2023-24 stood at Rs. 42,871.68 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs.25,287.34 Lakhs representing an increase of 69.54%. This growth was primarily driven by the company's successful fundraising of ₹1,338.2 Lakh from State Bank of India to meet working capital requirements. The improved fund availability enabled the company to scale operations, resulting in higher revenue generation.

- **Other Income**

  Other Income for the Financial Year 2023-24 stood at Rs. 431.40 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 419.43 Lakhs representing an increase of 2.85%. Due to increased exports, its duty drawback increased by ₹235.04 lakhs generating high other income.

Expenditure

- **Total Expenses**

  Total Expenses for the Financial Year 2023-24 stood at Rs. 42,469.14 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs.25,230.16 Lakhs representing increase of 68.33%. This can be contributed to many factors as discussed below:

- **Purchase of Stock in Trade**

Total Purchase of stock in Trade for the Financial Year 2023-24, stood at Rs. 41,843.08 Lakh whereas in Financial Year 2022-23 it stood at Rs. 25,016.44 Lakh, representing an increase of 67.26%. This rise aligns with the overall increase in revenue from operations, as the company scaled its operations, leading to a corresponding increase in the purchase of goods for trade.

- **Change in inventory**

  Total change in inventory for the financial year 2023-24, stood at Rs. 22.93 Lakhs, Whereas in Financial year 2022-23 it stood at Rs. (254.51) lakhs. This variation was primarily due to the company's incorporation in September 2021, resulting in no closing stock as of March 31, 2022, and consequently, a nil opening stock in the following year. This made the change in change in inventory in FY 2022-23 equal to Closing stock of stock in trade as on 31st March 2023.

- **Employment Benefit Expenses**

  Employee benefit expenses for the Financial Year 2023-24 stood at Rs. 12.52 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 26.89 Lakhs representing a decrease of 53.44%, it was due to the resignation of CEO in February 2023, who was withdrawing salary of approx. ₹1.5 lakhs per month, leading to low employee cost.

- **Other Expenses**

  The Other Expenses for the Financial Year 2023-24 stood at Rs. 445.62 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 391.73 Lakhs representing an increase of 13.76%, this is primarily due to high professional fees incurred during the during the year, along with high commission of ₹24.49 lakhs incurred due to commission sales incurred during the year. It also incurred high sales promotion expenses during the year to support the growing business of the company.

- **Depreciation and Amortization Expenses**

  The Depreciation and Amortization Expenses for the Financial Year 2023-24, stood at Rs. 1.37 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 2.08 Lakhs, representing a decrease of 34.13%. It is calculated for the period and values, as per the utilization of assets for the Company's business.

- **Finance Cost**

  Finance Cost for the Financial Year 2023-24, stood at Rs.143.61 Lakhs whereas in Financial Year 2022-23 it stood at Rs.47.72 Lakhs representing an increase of 200.94%, this was due to loan taken for working capital requirement, resulting in higher interest cost.

- **Restated Profit before Tax**

  The restated profit before tax For the Financial Year 2023-24 stood at Rs.833.95 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 476.61 Lakhs, representing an increase of 74.98%. It is primarily due to increase in revenue from operations, and lower employee benefit expenses.

- **Restated Profit after Tax**

  The restated profit after tax For the Financial Year 2023-24 stood at Rs.614.23 Lakhs. Whereas for the Financial Year 2022-23, it stood at 352.05 Lakhs, representing an increase of 74.47% in line with profit before tax.

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Property Plant and Equipment

(INR in Lakhs)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Gross Block- Opening Balance	7.41	5.04	5.04
Addition/(sale) during the year	390.85	2.37	-
Gross Block- Closing Balance	**398.26**	**7.41**	**5.04**
Accumulated Depreciation- opening balance	3.57	2.31	0.42
Depreciation during the year	2.19	1.26	1.90
Deletion during the year	-	-	-
Accumulated Depreciation- Closing balance	5.76	3.57	2.32
Total Net block of Tangible assets	**392.50**	**3.84**	**2.72**

Cash Flows

The table below summarize our cash flows from our Restated Financial Information for the financial year ended on March 2025, 2024 and 2023.

(₹ in Lakhs)

Particulars	FY 2025	FY 2024	FY 2023
Net cash (used in)/ generated from operating activities	**115.75**	**(1,627.11)**	**(788.18)**
Net cash (used in)/ generated from investing activities	**(387.97)**	**(2.04)**	**2.10**
Net cash (used in)/ generated from financing activities	**284.12**	**1,831.29**	**777.96**
Net increase/(decrease) in cash and cash equivalents	**11.90**	**202.14**	**(8.12)**
Cash and Cash Equivalents at the beginning of the period	246.51	44.37	52.49
Cash and Cash Equivalents at the end of the period	**258.41**	**246.51**	**44.37**

Net cash from/(used in) Operating Activities

For fiscal year ending March, 2025, net cash flow from operating activities was ₹ 115.75 lakhs as compared to Profit Before Tax of ₹ 600.87 lakhs. We had operating profit before working capital changes of ₹ 798.15 lakhs primarily as a result of depreciation and finance cost of ₹ 2.26 lakhs and ₹ 245.59 lakhs respectively. It also has interest income of ₹ 17.72 lakhs, unrealized foreign exchange gain of ₹ 32.92 lakhs

For fiscal year ending March, 2024, net cash flow used in operating activities was ₹ 1,627.11 lakhs as compared to Profit Before Tax of ₹ 833.95 lakhs. We had operating profit before working capital changes of ₹ 939.46 lakhs primarily as a result of depreciation and finance cost of ₹ 1.37 lakhs and ₹ 143.61 lakhs respectively. It also has interest income of ₹2.04 lakhs, unrealized foreign exchange gain of ₹37.57 lakhs.

For fiscal year ending March, 2023, net cash flow used in operating activities was at ₹ 788.18 lakhs as compared to Profit Before Tax of ₹ 476.61 lakhs. We had operating profit before working capital changes of ₹ 519.27 lakhs primarily as a result of depreciation of ₹ 2.08 lakhs and finance cost of ₹47.72 lakhs. It also has interest income of ₹0.19 lakhs, unrealized foreign exchange gain of ₹7.19 lakhs.

Net cash from/(used in) Investing Activities

For fiscal ending March, 2025, net cash flow from investing activities was ₹ (387.97) lakhs due to purchase of fixed assets of ₹ 405.76 lakhs and interest and other income of ₹ 17.79 lakhs.

For fiscal year ending March, 2024, net cashflow from investing activities was ₹ (2.04) lakhs due to purchase of fixed assets of ₹2.37 lakhs and interest & other income of ₹0.33 lakhs.

For fiscal year ending March, 2023, net cashflow from investing activities was ₹ 2.10 lakhs due to interest and other income of ₹ 2.10 lakhs.

Net cash Flow from/(used in) Financing Activities

For the fiscal year ending March, 2025, net cash flow from financing activities was ₹ 284.12 lakhs due to repayment of long-term borrowings of ₹ 82.61 lakhs and proceeds from short term borrowings of ₹580.41 lakhs and from long-term borrowings of ₹31.91 lakhs. It also paid finance cost of ₹ 245.59 lakhs.

For the fiscal year ending March, 2024, net cash flow from financing activities was ₹ 1,831.29 lakhs due to proceeds of long-term borrowings of ₹ 311.86 lakhs and proceeds from short term borrowings ₹1498.94 lakhs. It also paid finance cost of ₹ 143.61 lakhs. It also incurred proceeds due to issue of equity shares of ₹ 164.10 lakhs.

For fiscal year ending March 2023, net cash flow from financing activities was ₹777.96 lakhs due to proceeds from short-term borrowings of ₹825.68 lakhs respectively. It also paid finance cost of ₹ 47.72 lakhs.

Relevant Balance Sheet Items

Amount(Rs. in Lakhs)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Long-Term Borrowings	518.16	311.86	-
Short-Term Borrowings	2,648.03	2,324.62	825.68
Trade Payables	544.16	329.64	1,812.75
Trade Receivables	2,476.80	2,592.56	2,174.23
Inventories	1,361.01	231.58	254.51

Long-Term Borrowings

The Company's long-term borrowings increased from ₹311.86 lakhs in FY 2023-24 to ₹518.16 lakhs in FY 2024-25, reflecting a rise of ₹206.30 lakhs. This increase was primarily due to a property loan sanctioned on 25 December 2024 for ₹307 lakhs, of which ₹257 lakhs remained outstanding as on 31 March 2025. The earlier increase in long-term borrowings—from ₹0 lakhs in FY 2022-23 to ₹311.86 lakhs in FY 2023-24—was attributable to fresh loans obtained from directors and their relatives to support business operations.

Short-Term Borrowings

Short-term borrowings increased from ₹2,324.62 Lakhs in FY 2023-24 to ₹2,648.03 Lakhs in FY 2024-25, an increase of ₹323.41 Lakhs. This was mainly due to the company availing an additional overdraft facility of ₹240 Lakhs from Kotak Mahindra Bank in FY 2024-25. The significant increase in short-term borrowings from ₹825.68 Lakhs in FY 2022-23 to ₹2,324.62 Lakhs in FY 2023-24 was primarily to meet the company's working capital requirements.

Trade Payables

Trade payables increased from ₹329.63 Lakhs in FY 2023-24 to ₹544.16 Lakhs in FY 2024-25. This indicates a longer payment cycle to suppliers, which can affect liquidity. The substantial decrease in trade payables from

₹1,812.75 Lakhs in FY 2022-23 to ₹329.63 Lakhs in FY 2023-24 was a result of the company utilizing funds raised from working capital loans to make payments to its suppliers**.**

Trade Receivables
Trade receivables decreased from ₹2,592.56 Lakhs in FY 2023-24 to ₹2,476.80 Lakhs in FY 2024-25. This was driven by the extended credit terms offered to customers, as the average trade-receivable days increased from 15–20 days to 30–35 days, slowing down cash inflows. The increase in trade receivables from ₹2,174.23 Lakhs in FY 2022-23 to ₹2,592.56 Lakhs in FY 2023-24 was in line with the significant growth in revenue from operations during that period.

Inventories
Inventories saw a substantial increase from ₹231.58 Lakhs in FY 2023-24 to ₹1,361.01 Lakhs in FY 2024-25. This significant change is primarily due to the company's expansion into the e-commerce sector, which required maintaining specific inventory levels to support online sales channels. The inventory held for e-commerce operations as of March 31, 2025, amounted to ₹589.51 Lakhs. The decrease in inventories from ₹254.51 Lakhs in FY 2022-23 to ₹231.58 Lakhs in FY 2023-24 was due to the company's incorporation in September 2021, which resulted in a nil opening stock in the subsequent year.

Conclusion
The company's financial brief highlights a strategic shift, with a decrease in long-term debt offset by a significant rise in short-term borrowings, including a property loan. This shift, along with an increase in trade payables and a decrease in trade receivables, indicates a lengthening of the working capital cycle. The company's large increase in inventories reflects its new investment in the e-commerce sector.

Off-balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements and company also do not have any contingent liabilities as of **March 31, 2025.**

Financial Indebtedness

Please see “Financial Indebtedness” for a description of broad terms of our indebtedness on page 254 of this Draft Prospectus. The company has an impeccable record of servicing its debts and has consistently reduced its dependence on institutional finance, there are negligible chances of any default. In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

Outstanding Dues to Trade Payables

For purposes of the disclosure in Issue Document pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, the Board of Directors of the Company has identified a materiality threshold of 5% of Trade Receivables pursuant to a resolution dated 01st July, 2024; and the amounts owed as of March 31, 2025 by the Company to any small scale undertaking and any other creditor equal or exceeding such materiality threshold is identified in summary form as brought out in the tables below.

Name of Material Creditor	*Amount (₹ Lakhs)*
Creditor 1	395.83
Creditor 2	116.81

Total	512.64

Customer Concentration

Sr. No.	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
1.	Revenue from top one (1) customer	10,468.88	37.67%	19,872.62	46.35%	12,156.99	48.08%
2.	Revenue from top Three (3) customers	21,790.95	78.41%	35,819.81	83.55%	23,732.19	93.85%
3.	Revenue from top five (5) customers	23506.9	84.59%	41,137.69	95.96%	24,414.74	96.55%
4.	Revenue from top ten (10) customers	25,480.48	91.69%	42,475.33	99.08%	25,015.94	98.93%

Supplier Concentration

Sr. No.	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
1.	Revenue from top one (1) Supplier	9,384.03	33.69%	14,243.84	34.02%	17,025.92	68.06%
2.	Revenue from top three (3) Supplier	24,209.83	86.92%	35,999.46	85.99%	24,556.69	98.17%
2.	Revenue from top five (5) Suppliers	26631.18	95.62%	41,858.20	99.98%	24,744.26	98.92%
3.	Revenue from top ten (10) Suppliers	27,855.41	99.83%	41,864.23	100.00%	25,012.37	99.98%

INFORMATION REQUIRED AS PER ITEM (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. **Unusual or infrequent events or transactions**

   Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations**

   Other than as described in the section titled Risk Factors beginning on page 31 of this Draft Prospectus,

to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**
   Other than as described in this Draft Prospectus, particularly in the sections Risk Factors and Management 's Discussion and Analysis of Financial Condition and Results of Operations on pages 31 and 258, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. **Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**
   Our Company's future costs and revenues can be impacted by an increase in export rates or increase in prices of the traded goods may impact the revenue of the company.

5. **Future relationship between Costs and Income**
   Our Company's future costs and revenues will be determined by competition, demand/supply situation, Price fluctuation in domestic as well as international market.

6. **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**
   Increases in our revenues are by and large linked to increases in the volume of business.

7. **Total turnover of each major industry segment in which the issuer company operates.**
   The Company is operating in trading and distributor Sector. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 174 of this Draft Prospectus.

8. **Status of any publicly announced new products or business segments**
   Our Company has expanded its operations in E-commerce platform.

9. **The extent to which the business is seasonal.**
   Our business is not seasonal in nature.

10. **Competitive Conditions**
    We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 151 of this Draft Prospectus

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

a) litigation or legal actions, pending or taken, by any Ministry or department of the Governmentor a statutory authority against the Promoters during the last five years;
b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
c) pending proceedings initiated against the Company for economic offences;
d) default and non-payment of statutory dues by the Company;
e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company laws in the last five years against the Company, including fines imposed or compounding of offences done in those five years;
f) material frauds committed against the Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving the Company, Promoters, Directors, and Group Companies/entities, would be considered material for the purposes of disclosure based on lower of threshold criteria mentioned below:

A) As materiality Policy of the company defined by the Board of Directors:

a. For the purposes of determining outstanding material litigation(s) involving the Company, five percent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year, is to be considered as the appropriate threshold for determination of material litigations of the Company. The Company has identified material litigation matters on the following parameters:
b. For outstanding litigation which may, or may, not have any impact on the future revenues of our Company
c. where the aggregate amount involved in such individual litigation exceeds five percent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year;
d. where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation may not exceed five percent (5%) of the profit after tax and the amount involved in all of such cases taken together exceeds five percent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year; and\
e. outstanding litigation that may not meet the parameters set out in (a) or (b) above, but if such litigation has an adverse outcome, it would materially and adversely affect the operations or financial position of our Company. Or

B) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:

a. two percent of turnover, as per the latest annual restated consolidated financial statements of the issuer; or
b. two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or
c. five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.

(Amt. in lakhs)

Particulars	Amount	Threshold limits
Turnover	27,790.46	555.81 (2% of turnover)
Net Worth	1,681.17	33.62 (2% of Net worth)
Average of absolute value of profit or loss after tax	464.95	23.25 (5% of average of profit after tax)

₹ 23.25 lakhs is the lowest of the above threshold limits.

Currently there are two legal litigation which are pending relating to company and its promoters & directors i.e.

1. Crystal Palace Owners Association vs Sruthi Mohammed Ali (OS/200067/2024)
2. Safa Systems and Technologies Ltd vs Sanav Telecom LLP (CC/1602224/2024)

Accordingly, we have disclosed all outstanding litigations involving the Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of the Company.

I. Litigations involving the Company

A. Against the Company
1. **Litigation involving Criminal Matters: NIL**
2. **Litigation involving Civil Matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation/Matters involving Tax Liabilities: NIL**

B. By the Company
1. **Litigation involving Criminal Matters: NIL**
2. **Litigation involving Civil Matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation/Matters involving Tax Liabilities: NIL**

II. Litigations involving Promoters/Directors

A. Against Promoters/Directors
1. **Litigation involving Criminal Matters: NIL**
2. **Litigation involving Civil Matters: 1**

a) **Crystal Palace Owners Association vs Sruthi Mohammed Ali (OS/200067/2024)**

The plaintiff, under the Travancore Cochin Literary, Scientific and Charitable Societies Registration Act, 1955, has filed the present suit against the defendants, P.I. Mohammed Ali and Sruthi Muhammed Ali. The dispute arises over the ownership, possession, and enjoyment of the plaint B and C schedule properties, which include a car parking area and a bore well, used by the members of the plaintiff association for over 25 years. The plaintiff asserts that the first defendant, who was the original owner of the plaint A schedule property, misrepresented the extent of the property to the apartment buyers, creating an impression that plaint B and C schedule properties were part of the common areas. However, in 2019, the defendants claimed ownership over plaint B schedule property, attempting to demolish the car parking and bore well for commercial purposes, leading to the present dispute.

The plaintiff seeks a declaratory decree recognizing their adverse possession over the plaint B schedule property, along with a permanent prohibitory injunction restraining the defendants from alienating, numbering, or altering the property. Additionally, the plaintiff seeks an injunction to prevent the demolition of the car parking, bore well, and other fixtures. The suit is valued at Rs. 32,58,000/-, and the plaintiff seeks the recovery of litigation costs from the defendants. The case falls under the jurisdiction of the Hon'ble Court due to the location of the properties in Kakkanad Village, Kanayannur Taluk, Ernakulam District. The matter is currently pending and the next date is 06.10.2025.

3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

4. **Litigation/Matters involving Tax Liabilities:**

a. **Faizal Bavaraparambil Abdul Khader**: In respect of Assessment Year 2018, a demand bearing Reference No. 20182018370965738 00T was raised under Section 143(1)(a) of the Income Tax Act by the CPC. While the outstanding demand amount stands at zero, a liability towards final interest of Rs. 30,912 remains payable. The assessee had earlier submitted a response on 18th February 2019, accepting the demand as correct, and the demand was raised on 29th November 2021. The assesse has filed the rectification request and the matter is currently pending.

b. **Anaz Abdul Khader Bavaraparambil**: In respect of Assessment Year 2022, a demand bearing Reference No. 20242022372648764 64T was raised under Section 154 of the Income Tax Act by the CPC, reflecting an outstanding demand of Rs. 14,500 along with accrued interest of Rs. 7,965, aggregating to a pending liability. The demand was raised and served on 31st July 2024 via email and post, and the assessee had earlier submitted a response on 29th December 2023, disagreeing with the demand either in full or in part. The assesse has filed the rectification request and the matter is currently pending.

c. **Sruthi Muhammed Ali**: In respect of Assessment Year 2024, a demand bearing Reference No. 20252024373633443 04T was raised under Section 154 of the Income Tax Act by the CPC, reflecting an outstanding demand of Rs. 2,160 along with accrued interest of Rs. 210. The demand was raised on 23rd November 2024 and subsequently served on 25th July 2025 via email and post. As of the present status, the demand remains pending for payment/response, with rectification rights available with CPC. The assesse has filed the rectification request and the matter is currently pending.

d. **Sruthi Muhammed Ali**: In respect of Assessment Year 2023, a demand bearing Reference No. 20252023373633736 23T was raised under Section 154 of the Income

Tax Act by the CPC, reflecting an outstanding demand of Rs. 26,100 together with accrued interest of Rs. 5,220. The demand was raised on 11th January 2024 and was subsequently served on 25th July 2025 via email and post. As of the current status, the demand remains pending for payment/response, with rectification rights available with CPC. The assesse has filed the rectification request and the matter is currently pending.

e. **Sruthi Muhammed Ali**: In respect of Assessment Year 2022, a demand bearing Reference No. 20242022372822904 46T was raised under Section 154 of the Income Tax Act by the CPC, showing an outstanding demand of Rs. 56,640 along with accrued interest of Rs. 11,886. The demand was raised and served on 23rd August 2024 via email and post, and the assessee had submitted a response on 30th December 2023, disagreeing with the demand either in full or in part. The assesse has filed the rectification request and the matter is currently pending.

f. **Sruthi Muhammed Ali**: In respect of Assessment Year 2015, a demand bearing Reference No. 20172015370107179 41T was raised under Section 143(1)(a) of the Income Tax Act by the CPC. While the outstanding demand amount is Nil, a liability towards final interest of Rs. 82,150 remains payable. The assessee had submitted a response on 9th May 2017, accepting the demand as correct, and the demand was subsequently raised on 29th November 2021. The assesse has filed the rectification request and the matter is currently pending

B. By Promoters/Directors

1. Litigation involving Criminal Matters: 1

a) Safa Systems and Technologies Ltd vs Sanav Telecom LLP (CC/1602224/2024)

The complainant has filed the present complaint under Sections 190 and 200 of the CrPC read with Section 138 of the Negotiable Instruments Act, 1881, against M/s. Sanav Telecom LLP and its partners. The accused No. 2, representing the accused LLP, had entered into a business transaction with the complainant for the supply of electronic products, including mobile phones, upon receiving an advance payment of Rs. 2,50,00,000/-. However, the accused failed to deliver the goods as agreed, thereby breaching the contractual obligation. Subsequently, the accused No. 2 issued a post-dated cheque dated 30.03.2023 in favor of the complainant towards repayment of the legally enforceable debt. Upon presentation, the cheque was dishonored due to insufficient funds, prompting the complainant to issue a legal notice on 11.05.2023, which was either unclaimed or ignored by the accused.

Despite multiple demands, the accused failed to make payment, thereby attracting penal provisions under Section 138 of the Negotiable Instruments Act. The complainant has provided documentary and oral evidence substantiating the transaction and dishonor of the cheque. The complainant, therefore, prays for the court to take cognizance of the offense, summon the accused, and convict them, seeking appropriate relief, including compensation under Section 357 of the Criminal Procedure Code, 1973. The matter is currently pending and is at summons stage. The next date in the matter is 18.05.2026.

2. Litigation involving Civil Matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Litigation/Matters involving Tax Liabilities: NIL

III. Litigations Involving Company's Group Entities

A. **Against the Group Entities: NIL**
B. **By the Group Entities: NIL**

IV. Litigations Relating to the Subsidiary Company

A. **Against Directors of the Subsidiary Company: NIL**
B. **By Directors of the Subsidiary Company: NIL**

Note: The Company has no Subsidiary Company

V. Litigations Relating to the KMP/SMP - Nil

Note: The Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) confirm that there are no pending litigations, defaults, or statutory dues, and no criminal or civil proceedings against them. They have not been subject to any action or investigation by SEBI, any Stock Exchange, or other regulatory authorities. Neither they nor any associated entities have been prohibited from accessing capital markets or penalized by any regulator in India or abroad.

VI. Other litigations involving any other entities which may have a material adverse effect on the

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against the company whose outcome could affect the operation or finances of the Company or have a material adverse effect on the position of the Company.

VII. Details of the past penalties imposed on the Company / Directors: Except as disclosed above, there are no cases in the last five years in which penalties have been imposed on the Company or on Directors.

VIII. Outstanding dues to Creditors:

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on 31.03.2025 the Company had outstanding dues to creditors as follows:

(Amount in Lakhs)

Particulars	**31.03.2025**
Trade Payables	
Micro, Small & Medium Enterprises	116.81
Others	427.35
Total	**544.16**

We certify that except as stated herein above:

a) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters, group entities, companies promoted by the promoters during the past three years.
b) There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
c) There is no pending litigation against the Promoters/ Directors in their personal capacities and also

involving violation of statutory regulations or criminal offences.

d) There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
e) There is no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
f) There are no litigations against the Promoters / Directors in their personal capacity.
g) The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
h) There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of the promoters, group company's entities, entities promoted by the promoters of the company.
i) There are no criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
j) The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

Neither the Company nor any of its promoters or directors is a willful defaulter.

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively "Authorizations") listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled "Key Industry Regulation and Policies" beginning on page 174 of the Draft Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on October 10, 2024 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.

2. The Shareholders have, pursuant to the resolution dated October 15, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from SME Platform of BSE Limited. vide its letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE Limited. BSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated May 31, 2024, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Cameo Corporate Services Limited, for the dematerialization of its shares.

2. The Company has also entered into an agreement dated May 21, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Cameo Corporate Services Limited, for the dematerialization of its shares.

3. The Company's International Securities Identification Number (ISIN) is **INE0WOF01014**.

INCORPORATION DETAILS OF OUR COMPANY

S. No.	Authorization Granted	Issuing authority	CIN	Date	Valid Up to
1.	Certificate of Incorporation in the name of Kanone Technologies Private Limited	ROC – Ernakulam	U74999KL2021PTC071243	September 29th, 2021	Perpetual
2.	Certificate of Incorporation on conversion of the company from Kanone Technologies Private	ROC – Ernakulam	U74999KL2021PLC071243	June 28th, 2024	Perpetual

	Limited to Kanone Technologies Limited				

TAX RELATED AUTHORISATIONS OF COMPANY

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AAJCK0646C	29.09.2021	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	CHNK08051D	05.10.2021	Perpetual
DETAILS OF GST REGISTRATION OF THE COMPANY					
1.	GST Registration Certificate (Kerala)	Centre Goods and Services Tax Act, 2017	32AAJCK0646C1Z0	22.10.2021	Valid until cancellation
2.	GST Registration Certificate (Maharashtra)	Centre Goods and Services Tax Act, 2017	27AAJCK0646C1ZR	23.11.2021	Valid until cancellation
3.	GST Registration Certificate (Delhi)	Centre Goods and Services Tax Act, 2017	07AAJCK0646C1ZT	12.01.2023	Valid until cancellation
4.	GST Registration Certificate (West Bengal)	Centre Goods and Services Tax Act, 2017	19AAJCK0646C1ZO	03.01.2023	Valid until cancellation
5.	GST Registration Certificate (Punjab)	Centre Goods and Services Tax Act, 2017	03AAJCK0646C1Z1	10.03.2025	Valid until cancellation
6.	GST Registration Certificate (Uttar Pradesh)	Centre Goods and Services Tax Act, 2017	09AAJCK0646C1ZP	17.03.2025	Valid until cancellation
7.	GST Registration Certificate (Bihar)	Centre Goods and Services Tax Act, 2017	10AAJCK0646C1Z6	18.03.2025	Valid until cancellation
8.	GST Registration Certificate (Odisha)	Centre Goods and Services Tax Act, 2017	21AAJCK0646C1Z3	12.03.2025	Valid until cancellation
9.	GST Registration Certificate (Madhya Pradesh)	Centre Goods and Services Tax Act, 2017	23AAJCK0646C1ZZ	19.03.2025	Valid until cancellation
10.	GST Registration Certificate (Karnataka)	Centre Goods and Services Tax Act, 2017	29AAJCK0646C2ZM	10.03.2025	Valid until cancellation
11.	GST Registration Certificate (Tamil Nadu)	Centre Goods and Services Tax Act, 2017	33AAJCK0646C1ZY	05.06.2025	Valid until cancellation

12.	GST Registration Certificate (Haryana)	Centre Goods and Services Tax Act, 2017	06AAJCK0646C1ZV	19.03.2025	Valid until cancellation
13.	GST Registration Certificate (Telangana)	Centre Goods and Services Tax Act, 2017	36AAJCK0646C1ZS	17.03.2025	Valid until cancellation
14.	GST Registration Certificate (Kerala)	Centre Goods and Services Tax Act, 2017	32AAJCK0646C2ZZ	04.06.2025	Valid until cancellation

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

Sr No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid Upto
1.	Udyog Aadhaar Registration Certificate (MSME)	Ministry of Micro, Small, & Medium Enterprises	UDYAM-KL-02-0025105	05.11.2021	Valid until cancellation
2.	Employees' Provident Fund Organisation	Ministry of Labour and Employment	KRKCH2482700000	04.10.2021	Valid until cancellation
3.	LEI Registration	LEI Register	984500G48DAD79944B32	02.12.2021	02.12.2025
4.	Professional Tax	Maharashtra Sales Tax Department	27111936056P	21.12.2021	Valid until cancellation
5.	Shops & Commercial Establishment Act	State Government of Kerala	SH070230113109	08.04.2024	31.12.2025
6.	Shops & Commercial Establishment Act (Maharashtra)	Department of Labour	112436422103	01.01.2022	Valid until cancellation
7.	Shops & Commercial Establishment Act (Delhi)	Department of Labour	2024140652	03.07.2024	Valid until cancellation
8.	IEC Certificate	DGFT	AAJCK0646C	20.10.2021	Valid until cancellation

9.	One Star Export House. (DGFT)	Ministry of Commerce & Industry	KOCSTATAPPLY00000037AM23	17.10.2022	17.10.2027
10.	Three Star Export House. (DGFT)	Ministry of Commerce & Industry	KOCSTATAPPLY00000033AM25	01.10.2024	31.03.2028
11.	Registration Cum Membership Certificate	Agricultural & Processed Food Products Export Development Authority	216258	28.03.2022	27.03.2027
12.	Registration Cum Membership Certificate	Foreign Trade Policy, GOI	RCMC/MEDEPC/00014/2023-2024	19.05.2025	31.03.2026
13.	Registration Cum Membership Certificate	Federation of Indian Export Organization	KRL/170/2022-2023	24.03.2025	31.03.2026
14.	Employees State Insurance Corporation	Ministry of Labour and Employment	47000724760000602	29.09.2021	Valid until cancellation

Note: We hereby confirm that all approvals/ licenses/ registrations required by the Company for carrying out its operations are disclosed in this chapter.

NO OBJECTION CERTIFICATE (NOC) FROM AUTHORITIES

S. No.	Particulars	Issuing Authority	Issue Date
NA			

INTELLECTUAL PROPERTY

According to the records provided by the Company, the following trademarks and/or wordmarks have been registered or are subject to objection in the name of the Company or in the name of Promoters under The Trademarks Act, 1999:

Trademark/Wordmark	*Date of application*	*Application number*	*Class*	*Current Status*
KANONE TECHNOLOGIES	30th January, 2023	5784285	9	Registered

KANONE TECHNOLOGIES	30th January, 2023	5784286	11	Registered
KANONE TECHNOLOGIES	30th January, 2023	5784287	35	Registered
KANONE	23rd February, 2024	6318189	9	Registered
KANONE	23rd February, 2024	6318190	35	Registered

For more details, please refer "Our Business" on page 151 of this Draft Prospectus.

NOTE: SOME REGISTRATIONS ARE IN THE NAME OF KANONE TECHNOLOGIES PRIAVTE LIMITED AND THE COMPANY IS IN PROCESS OF TAKING ALL THE APPROVALS IN THE NEW NAME OF THE COMPANY I.E., KANONE TECHNOLOGIES LIMITED.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

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KANONE

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

1. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on October 10, 2024.

2. The Shareholders of our Company have authorized this Issue by their Special Resolution passed pursuantto Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on October 15, 2024, and authorized the Board to take decisions in relation to this Issue.

3. The Company has obtained approval from SME Platform of BSE Limited vide its letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE Limited. BSE is the Designated Stock Exchange.

4. Our Board has approved this Draft through its resolution dated September 29, 2025.

5. We have also obtained all necessary approvals required for this Issue. For further details, refer to the chapter titled "*Government and Other Approvals"* beginning on page 278 of this Draft Prospectus.

PROHIBITION BY SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority or court.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority or court.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as willful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as willful defaulter by RBI or any other government authority and there has been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

KANONE

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Prospectus.

ELIGIBILITY FOR THIS ISSUE

We confirm that:

a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to "*General Information*" Underwriting on page 74 of this Draft Prospectus.

b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to two hundred, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Lead Manager shall ensure that the Issuer shall file a copy of the Draft Prospectus/ Prospectus with SEBI along with a due diligence certificate, to which the site visit report of the issuer prepared by the lead manager(s) shall also be annexed, including additional confirmations as required to SEBI at the time of filing the Draft Prospectus/ Prospectus with the Registrar of Companies.

d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled "*General Information", "Details of the Market Making Arrangements for this Issue*"' on page 84 of this Draft Prospectus.

e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board;

f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;

g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a willful defaulter or fraudulent borrower.

h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer 's promoters or directors is a fugitive economic offender.

i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to BSE Limited and BSE Limited is the Designated Stock Exchange.

j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.

k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid Up.

l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

m) In accordance with Regulation 230 (1) (h) of SEBI (ICDR) Regulation, the objects of the issue should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

BSE ELIGIBILITY NORMS:

Our Company is eligible for the Offer in accordance with Regulation 229 (2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than ten crore rupees and up to twenty-five crore rupees. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares.

a) Incorporation:

Our Company was incorporated on September 19, 2021, with the Registrar of Companies, Ernakulam under the Companies Act, 2013 in India.

b) Post Issue Paid-up Capital

The present paid-up capital of the Company as on the date of this certificate is ₹ 949.31 Lakhs and the Company is proposing fresh issue of up to 40,68,000 Equity Shares of ₹ 10/- each Hence, Post Issue Paid up Capital will be less than ₹ 25.00 Crore.

c) Net worth

The Net worth of the Company as per the restated financials of our Company for last 3 financial years is more than Rs. 1 crore:

(Amt in lakhs)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Share capital – Equity	949.31	209.10	100.00
Reserves and surplus	731.86	1,043.50	374.26
Total Net worth	**1,681.17**	**1,252.60**	**474.26**

d) Net Tangible Assets

The Net Tangible Assets of the Company as per the restated financials of our Company as at March 31, 2025 (last preceding full financial year) is more than Rs. 300 Lakhs.

(Amt in Lakhs)

Particulars	As on 31 March 2025	As on 31 March 2024	As on 31 March 2023
Total Assets	**5,749.72**	**4,507.53**	**3,216.37**
Less: Intangible Assets	0.11	0.18	0.29
Less: Current Liabilities	3,548.74	2,942.80	2,741.89
Less: Non-Current Liabilities	519.81	312.13	0.22
Net Tangible Assets	**1,681.06**	**1,252.42**	**473.97**

e) Track Record

The company should have a track record of at least 3 years.

The Company was originally incorporated on September 29, 2021 under Companies Act, 2013 *vide* certificate of incorporation issued by the Registrar of Companies, NCT of ROC Ernakulam. Therefore, is in compliance with criteria of having track record of 3 years.

f) Earnings before Interest, Depreciation and Tax

Our company has operating profits of ₹1 crore on the basis of restated financials (earnings before interest, depreciation and tax) from operations for at least 2 financial years out of preceding 3 financial years.

(Amt in lakhs)

Particulars	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Operating profit (earnings before interest, depreciation and tax and other income) from operations	523.88	547.52	106.98

g) Leverage Ratio

Our Leverage Ratio is less than 3:1 as per restated financial statement is as under:

(Amt in Lakhs)

Particulars	For the year ending 31-Mar-25	For the year ending 31-Mar-24	For the year ending 31-Mar-23
Share Capital	949.31	209.10	100.00
Reserves and Surplus	731.86	1,043.50	374.26
Total Equity (I)	**1,681.17**	**1,252.60**	**474.26**
Long Term Borrowings	518.16	311.86	Nil
Short Term Borrowings	2,648.03	2,324.62	825.68
Total Debt (II)	**3,166.19**	**2,636.48**	**825.68**
Leverage Ratio (II/I)	**1.88**	**2.10**	**1.74**

h) Disciplinary action

There has been no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

None of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange. Accordingly, there is no applicability of compulsory delisting is attracted. Further, none of our directors are disqualified/ debarred by any of the Regulatory Authority due to the Companies suspended from trading on account of non-compliance.

i) Default

There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies.

j) Name change

In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name: **Not Applicable**

In accordance with Regulation 229(4): In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document – The provision is not applicable to the company as the company was originally incorporated as the Private Limited Company on September 29, 2021

Other requirements

a) We have a functional website: www.kanone.in/
b) 100% of Equity Shares held by the Promoters is in dematerialized form.
c) Our Company has entered into an agreement with both the depositories (CDSL and NSDL) for dematerialization of its Equity Shares already issued and proposed to be issued.
d) There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME Platform of BSE.
e) Our composition of the board is in compliance with the requirements of Companies Act, 2013.
f) The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations
g) The Company has not been referred to NCLT under IBC.
h) There is no winding up petition against the company, which has been admitted by the court.
i) Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
j) The Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.
k) The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
l) The requirement of firm arrangements of finance through verifiable means towards seventy-five per cent of the stated means of finance for funding from the Offer Proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals is not applicable to our Company. For details, please refer the chapter "Objects of the Issue" on page 108.
m) Our Company confirms that the amount for general corporate purposes, as mentioned in objects of the issue in the offer document does not exceed 15% of the Gross Proceeds or Rs. 10 crores whichever is lower.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the BSE SME.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS 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 THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS

EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 29, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

Note:

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Draft Prospectus.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.ftfinsec.com & www.kanone.in would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available 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 or at collection centers, *etc.* The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager 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 Equity Shares.

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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs. 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft 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 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 the jurisdiction of appropriate court(s) in Ernakulam only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus had been filed with SME Platform of BSE Limited for its observations and SME Platform of BSE Limited gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since 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 U.S Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share 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.

KANONE

DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE LEAD MANAGER

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft 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, including our Company's website www.kanone.in, or the websites of the members of our Promoter Group, would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Issue Agreement dated 21st March, 2025 entered between the LM (Fast Track Finsec Private Limited) and our Company and the Underwriting Agreement dated 21st March, 2025 entered into between the Underwriter and our Company

All information shall be made available by our Company and the 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 Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and LM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and LM 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 Equity Shares of our company.

FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Draft Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in. Further, a copy of Draft Prospectus/ Prospectus, will also be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

As required, a copy of this Draft Prospectus has been submitted to BSE SME. The disclaimer clause as intimated by BSE SME to our Company, post scrutiny of this Draft Prospectus, shall be included in the Draft Prospectus / Prospectus prior to the filing with the ROC.

KANONE

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Price Information of past issues handled by the Lead Manager

S. No.	Issuer Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/-% change in closing price, [+/-% change in closing benchmark]- 30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]- 90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark] - 180th calendar days from listing	SME/ Main Board
1.	Snehaa Organics Limited	32.68	122.00	September 05, 2025	122.00	NA	NA	NA	SME
2.	Mahendra Realtors & Infrastructure Limited	49.44	85.00	August 20, 2025	68.00	(16.33) 1.10	NA	NA	SME
3.	Medistep Healthcare Limited	16.09	43.00	August 18, 2025	53.00	(33.47) 1.82	NA	NA	SME
4.	Cedaar Textile Limited	60.90	140.00	July, 07, 2025	119.00	5.17 3.48	NA	NA	SME
5.	Jainik Power Cables Limited	51.29	110.00	June 17, 2025	82.00	17.98 1.03	NA	NA	SME
6.	Nikita Papers Limited	67.54	104.00	June 03, 2025	90.00	0.55 (3.40)	3.78 0.34	NA	SME
7.	Gajanand International Limited	20.64	36.00	September 16, 2024	42.00	(42.60) (1.62)	(50.13) (4.12)	(61.40) 13.33	SME
8.	Ambey Laboratories Limited	42.55	68.00	July 11, 2024	85.00	(26.16) 0.13	(29.94) 2.73	(35.41) 5.41	SME
9.	Akiko Global Services Limited	23.11	77.00	July 02, 2024	98.00	(18.80) 3.68	(14.30) 3.55	(14.68) (1.29)	SME
10.	Enser Communications Limited	16.17	70.00	March 22, 2024	72.00	(2.99) 1.08	146.36 6.65	274.54 15.03	SME
11.	Sungarner Energies Limited	5.31	83.00	August 31, 2023	250.00	(17.66) (0.95)	(27.57) 4.37	23.91 15.29	SME
12.	Pearl Green Clubs and Resorts Limited	11.71	186.00	July 07, 2022	189.05	3.27 11.95	(0.50) 45.52	(2.92) 102.80	SME

13.	Globesecure Technologies Limited	10.12	29.00	June 02, 2022	36.5	212.94	313.07	125.47	SME
						(5.35)	14.94	38.57	
14.	Jeena Sikho Lifecare Limited	55.50	150.00	April 19,2022	165.1	(12.69)	(18.16)	(15.17)	SME
						(2.42)	(7.09)	22.78	
15.	SBL Infratech Limited	2.37	111.00	September 28, 2021	130.00	(55.20)	(64.8)	(47.72)	SME
						(0.53)	(3.77)	(3.48)	
16.	Kranti Industries Limited	2.09	37.00	February 28, 2019	35.25	(1.22)	2.84	(12.04)	SME
						(8.38)	1.62	(3.16)	
17.	Goblin India Limited	15.20	52.00	October 15, 20219	55.00	125.71	80.21	(27.20)	SME
						4.62	8.70	(20.29)	
18.	Ascom Leasing and Investments Limited	6.32	30.00	December 06, 2019	30.25	5.00	0.00	15.83	SME
						(0.60)	(5.47)	(15.60)	
19.	Trekkingtoes.Com Limited	4.54	105.00	August 28, 2020	99.75	(55.59)	(59.90)	(67.92)	SME
						(3.77)	12.14	28.67	

Note:

All share price data is from www.bseindia.com and www.nseindia.com

Note:

- The S&P, SME IPO, Sensex and CNX Nifty are considered as the Benchmark Index.
- Prices on BSE/NSE are considered for all of the above calculations.
    - In case the 30th/90th/180th day is not a trading day, the closing price on BSE/NSE of the next trading day has been considered.

In case 30th/90th/180th days, scrips are not traded then the last trading price has been considered.

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Amount of Funds raised (Rs. Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at premium-30th calendar days from listing			No. of IPOs trading at discount-180th calendar days from listing			No. of IPOs trading at premium-180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2025-26*	6	277.94	-	-	4	-	1	-	-	-	-	-	-	-
2024-25	3	88.44	-	2	1	-	-	-	1	1	1	-	-	-
2023-24	1	21.48	-	-	-	1	-	-	-	-	-	-	-	-
2022-23	3	77.32	-	-	1	1	-	1	-	-	2	1	-	-
2021-22	1	2.37	1	-	-	-	-	-	-	1	-	-	-	-
2020-21	1	4.54	1	-	-	-	-	-	1	-	-	-	-	-
2019-20	2	21.52	1	-	1	-	-	-	-	1	1	-	-	-
2018-19	1	2.09	-	-	1	-	-	-	-	-	1	-	-	-

*Up to the date of this Draft Prospectus

Note:

1) Benchmark Index considered as Sensex 30 Index and Nifty 50 Index.

2) Prices on NSE/BSE are considered for all of the above calculations.

3) In case the 30th/90th/180th day is a holiday, the closing price on NSE/BSE of the previous trading day has been considered.

4) In case the 30th/90th/180th day, scrips are not traded then the closing price on NSE/BSE of the previous trading day has been considered.

For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1	Fast Track Finsec Private Limited	www.ftfinsec.com

LISTING

Application will be made to the SME Platform of BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. SME Platform of BSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [.] dated [•].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Draft Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the LM to the Issue, Registrar to the Issue, Market Maker, Banker to the Issue, and Underwriter to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated December 12th, 2024 from the Peer Reviewed Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated September 24th, 2025 on our restated financial information; and (ii) its report dated September 24th, 2025 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

EXPERT OPINION

Except for the reports in the sections "*Statement of Special Tax Benefits*" and "*Financial Information*" on pages 135 and 222, respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name in this Draft Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as "Expert", defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled **"*Capital Structure*"** beginning on page no. 88 of this Draft Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled **"*Capital Structure*"** beginning on page no. 88 of this Draft Prospectus. Our Company does not have any subsidiary, listed group companies or associates, as of the date of this Draft Prospectus.

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled **"*Capital Structure*"** beginning on page 88 of this Draft Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTER

As on the date of this Draft Prospectus, our Company does not have any subsidiaries. Further, we have a corporate promoter Safa Systems & Technologies Limited listed on SME Platform of BSE Limited.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Prospectus.

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DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Faizal Bavaraparambil Adbul Khader	Chairperson	Non-Executive Director
Mr. Vivek Vilas Joshi	Member	Independent Director
Mrs. Sruthi Muhammed Ali	Member	Managing Director

Company Secretary and Compliance Officer of Company, who can be contacted for any pre-issue or post-issue related problems at the following address:

KANONE TECHNOLOGIES LIMITED
B4(1) 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala
P.O Ernakulam, Vennala, Ernakulam,
Ernakulam, Kerala, India, 682028
Tel: +91 7420010525
Website: https://kanone.in/index.php
Email Id: kanonetechnologies@gmail.com

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled **"*Capital Structure*"** beginning on page no. 88 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTER

There is one listed venture of our Company or of our Promoter as on date of filing of this Draft Prospectus, namely Safa Systems & Technologies Limited.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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CAPITALISATION OF RESERVE OR PROFITS REVALUATION OF ASSETS

Save and except as stated in the chapter titled "Capital Structure" beginning on page no. 88 of this Draft Prospectus, our Company has not capitalized its reserves or profits since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft 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 Prospectus. Except as stated elsewhere in this Draft 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.

DEFAULT IN PAYMENT OF STATUTORY DUES OR OF INTEREST OR PRINCIPAL

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 pages no. 195 and 217 respectively of this Draft Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

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SECTION VIII – OFFER 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 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 GoI, 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 GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.

Please note that, in accordance with the Regulation 256 of the SEBI ICDR Regulations, read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further the SEBI in terms of its Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 as amended or modified by its Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, including 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 8, 2019 , Circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, Circular No. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, Circular No SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circular pertains to the UPI Mechanism), Master Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, (together, the "UPI Circulars") 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"). Subsequently however, SEBI vide its Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, due to the outbreak of COVID 19 pandemic, UPI Phase II has been further extended by SEBI until further notice by SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Applicants and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 ("UPI Phase III"). Accordingly, the Offer 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/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 Offer and Depository Participants have been also authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on

operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available. For details in relation to issue expenses, see Chapter titled "Objects of the Offer" and "Other Regulatory and Statutory Disclosures" on pages 108 and 283 respectively of this Draft Prospectus.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

THE ISSUE

The Offer comprises a Fresh Issue 40,68,000 Equity Shares by our Company. The fees and expenses relating to the Offer shall be borne by our Company in accordance with applicable law. For details in relation to the sharing of Offer expenses amongst our Company, see "Objects of the Offer" on page no 108 of this Draft Prospectus.

RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to Section titled, "***Description of Equity Shares and Terms of the Articles of Association***", beginning on page 361 of this draft prospectus.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, for further details in relation to dividends, please refer to Sections titled, "***Dividend Policy***" and "***Description of Equity Shares and Terms of the Articles of Association***", beginning on page 218 and 361 respectively, of this draft prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Issue Price is determined by our Company, in consultation with the Lead Manager and is justified under the chapter titled "Basis of Issue Price" beginning on page 124 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws

COMPLIANCE WITH SEBI (ICDR) REGULATIONS, DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

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RIGHTS OF THE EQUITY SHAREHOLDER

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of the Company and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" on page 361 of this Draft Prospectus.

ALLOTMENT ONLY IN DEMATERIALISED FORM

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Prospectus:

- Tripartite agreement dated 31st May, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated 21st May, 2024 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can 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. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the 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 Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MARKET LOT AND TRADING LOT

Since the trading of Equity shares is in dematerialized form, the tradable lot is One Equity Share. Allotment in this offer will be in multiples of one Equity Share subject to minimum Allotment of [●] Equity Shares. For further details, see "Issue Procedure" on page 316 of this Draft Prospectus.

AUTHORITY FOR THE ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on October 10, 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. 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 EGM of the Company held on October 15,2024

RIGHTS OF THE EQUITY SHAREHOLDER

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association ofour Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the CompaniesAct , terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of the Company and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" on page 361 of this Draft Prospectus.

MINIMUM APPLICATION VALUE, 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 SME Platform 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 two lots per application. Provided that the minimum application size shall be above ₹ 2 lakhs.

Since the trading of Equity shares is in dematerialized form, the tradable lot is One Equity Share. The 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. For further details, see "Issue Procedure" on page **316** of this Draft Prospectus.

JURISDICTION

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share 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 or 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, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDERS

Subject to the provisions of the AoA, where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to holdsuch Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO THE INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies 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 respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act

and the Depositories Act.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall file a fresh Draft Prospectus with Stock Exchange.

OFFER PROGRAMME

Event	Indicative Date
Offer Opening Date	[●]
Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to Demat Accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

(1) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the applicant shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the agreements entered into by and between our Company and the relevant intermediaries, to the extent applicable.

A. Our Company shall, in consultation with the Lead Manager, consider closing the Issue period for QIBs, one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.

B. UPI mandate end time and date shall be at 4.00 p.m. on Issue Closing Date.

In terms of Regulation 265 of SEBI ICDR Regulations, the Issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266(1).

The above timetable is indicative and does not constitute any obligation on our Company the 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 Issue Closing Date or such other time as may be prescribed by SEBI, the timetable may change due to various factors, such as extension of the Issue Period by our Company in consultation with the Lead Manager, or any delays in receiving the final listing and trading approval from the Stock Exchange or delay in receipt of final certificates from SCSBs, etc. 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

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Individual Investors (who applies for minimum application size) after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issueings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding Two (2) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post Issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the above-mentioned timelines. Further, the Issue Procedure is subject to change basis any revised SEBI circulars to this effect.

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 Exchange 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 LM 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. SEBI is in the process of streamlining and reducing the post Issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Issue closure time from the Issue Opening Date till the Issue Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Individual Investors who applies for minimum application size, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

MINIMUM SUBSCRIPTION AND UNDERWRITING

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, 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 the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that

money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled "***General Information***" on page 74 of this draft prospectus. Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, our Company shall ensure that the minimum application size shall not be less than two lots wherein the minimum application amount shall not be less than ₹2,00,000 (Rupees Two Lakh) per application.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018 and as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, the minimum application size in terms of number of specified securities shall be two lots per application. Provided that the minimum application size shall be above Rs. 2 lakhs.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

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.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of [●] Equity Shares. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments issued by our Company. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in Capital Structure on page 88 of this Draft Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer Main Provisions of Articles of Association on page 361 of this Draft Prospectus.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within Two (2) working days of closure of Issue.

ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

MINIMUM SUBSCRIPTION

In terms of Regulation 260(1) of the SEBI ICDR Regulations, 2018, the Issue is 100% (hundred percent) underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the.

Draft 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 two lots provided that the minimum application size shall be above ₹ 2 Lakhs.

As per Section 39 of the Companies Act, 2013, 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 draft Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within four days from the closure of the issue, if there is a delay beyond such time, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The Equity Shares have not been and will not 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, expect in compliance with the application law of such jurisdiction.

For details of underwriting arrangement, kindly refer the chapter titled "General Information" on page 74 of this Draft Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [•] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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.

Further as per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform on a later date subject to the following:

Eligibility Criteria	**Unified Eligibility Criteria**
Paid up capital	Atleast Rs. 10 crs.
Market Capitalisation	**Average of 6 months market cap** **Migration**: Rs. 100 crs **Direct listing:** Rs. 1000 crs Note: for the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period.
Market Liquidity	At least 5% of the weighted average number of equity shares listed should have been traded during such six months' period Trading on atleast 80% of days during such 6 months period Min. average daily turnover of Rs. 10 lacs and min. daily turnover of Rs. 5 lacs during the 6-month period Minimum Average no. of daily trades of 50 and min. daily trades of 25 during the said 6 months period ***Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period.***
Operating Profit (EBIDTA)	**Average of Rs. 15 crs**. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, **with a minimum of Rs. 10 crores in each of the said 3 years** In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.
Networth	**Rs. 1 cr. -** in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
Net Tangible Assets	**At least Rs. 3 crs,** on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:

	Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project
Promoter holding	**At least** 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. Not applicable to companies that have sought listing through IPO, without identifiable promoters
Lock In of promoter/ promoter group shares	**6 months** from the date of listing on the BSE. Not applicable to SME companies migrating to main board
Regulatory action	No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. Promoters or directors are not fugitive economic offender The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
Promoter shareholding	100% in demat form
Compliance with LODR Regs	3 years track record with no pending non-compliance at the time of making the application.
Track record in terms of Listing	Listed for atleast 3 years
Public Shareholder	Min. 1000 as per latest shareholding pattern
Other Parameters	No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. Not under any surveillance measures/actions i.e "ESM", "ASM", "GSM category" or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T-to-T category or date of graded surveillance action/measure.
Score ID	No pending investor complaints on SCORES.
Business Consistency	Same line of business for 3 years at least 50% of the revenue from operations from such continued business activity.
Audit Qualification	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

Note: Words and expressions used hereinabove shall have the same meaning as assigned to them in the SEBI (ICDR) Regulations, 2018

B. As per ICDR guidelines:

If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour

of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

An issuer, whose specified securities are listed on a SME Exchange and whose post-issue paid-up capital is more than ten crore rupees and up to twenty five crore rupees, may migrate its specified securities to the main board of the stock exchanges if its shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if such issuer 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.

As per the recent amendments of SEBI ICDR Regulation, 2018 dated March 03, 2025, please note:

Where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is increasing to more than Rs. 25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the SEBI (LODR) Regulations, as applicable to companies listed on the main board of the stock exchange(s).

MARKET MAKING

The shares issued and transferred through this Offer are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled" General Information" beginning on page 74 of this Draft Prospectus.

NEW FINANCIAL INSTRUMENT

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter Capital Structure beginning on page 88 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the 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.

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ISSUE STRUCTURE

This Offer has been made in terms of Regulation 229(2) (of Chapter IX of SEBI ICDR Regulations whereby, our post-Offer face value capital does not exceed twenty-five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME BSE Limited). For further details regarding the salient features and terms of such Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 298 and 316 of this Draft Prospectus.

PRESENT ISSUE STRUCTURE

Our Company is proposing the Initial Public Offering of up to 40,68,000 equity shares of face value of ₹ 10/- each of Kanone Technologies Limited (the "Company" or the "Issuer", and such equity shares the "Equity Share") 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"), of which [•] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [•]/- per Equity Share including a share premium of ₹ [•]/- per Equity Share 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 [•] Equity Shares of face value of ₹ 10/- each at a price of ₹ [•]/- per Equity Share including a share premium of ₹ [•]/- per Equity Share aggregating to ₹ [•] lakhs is herein after referred to as the "Net Issue". The Issue and the Net Issue will constitute [•] % and [•]%, respectively, of the post issue paid up Equity Share capital of our company.

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation (1)	Up to [●] Equity Shares	Up to [●] Equity Shares
Percentage of Issue Size available for allocation	[●] (50 % to Individual Investors and the balance to other Investors)	[●]
Basis of Allotment	Proportionate subject to minimum allotment of two lots (Each lot size consists [●] equity share) Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to the **"Basis of Allotment"** on page of this draft Prospectus	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Individual Investors (who applies for minimum application size) using Syndicate ASBA)	
Minimum Application Size	***For Other than Individual Investors who applies more than minimum application size:*** Such Number of Equity Shares in multiples of [●] equity shares face value of ₹10 each more than two lots. ***For Individual Investors who applies for minimum application size:*** two lots (Each lot size consists [●] equity share) Equity Shares at an Issue price of [●] each, that the application size shall be above ₹2.00 lakhs in multiples of [●] Equity Shares	Application size shall be [●] equity shares since there is firm allotment.

Maximum Application Size	***For Other than Individual Investors:*** Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits to the Applicant. ***For Individual Investors who applies for minimum application size:*** Such number of Equity Shares in multiples of [●] Equity Shares subject to applicable limits to the Applicant.	Application size shall be [●] equity shares since there is a firm allotment.
Mode of Allotment	Compulsorily in dematerialized form	
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Who can Apply (2)	***For Other than Individual Investors:*** Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts. ***For Individuals Investors who applies for minimum application size:*** Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs	Market Maker
Terms of Payment (3)	The entire Application Amount will bepayable at the time of submission of the Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to "Issue Structure" on page 312 of the Prospectus.

1. *Since present Issue is a fixed price Issue, the allocation in the net Issue to the public category in terms of Regulation 253(3) of the SEBI ICDR Regulations, shall be made as follows:*

   (a) Minimum fifty per cent to individual investors who applies for minimum application size; and
   (b) Remaining to:
   i) individual applicants who apply for more than minimum application size; and
   ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

   Explanation - For the purpose of sub-regulation (3), if the individual investor category is entitled to more than fifty percent of the Issue size on a proportionate basis, the individual investors shall be allocated that higher percentage."

2. *In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.*

3. *In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

LOT SIZE

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs.)	**Lot Size (No. of shares)**
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications who applies for minimum application size and the balance for those who applies for more than minimum application size.

ISSUE OPENING DATE	[●]
ISSUE CLOSING DATE	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

(a) A standard cut-off time of 3.00 PM for acceptance of applications.
(b) A standard cut-off time of 4.00 PM for uploading of applications received from non-Individual Investors i.e. QIBs, HNIs and employees (if any).
(c) A standard cut-off time of 5.00 PM for uploading of applications received from only individual applicants who applies for minimum application size, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received upto the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issue ("GID") prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 which is issued in supersession of the Circular SEBI Circular CIR/CFD/DIL/12/2013 dated October 23, 2013 & UPI Circular 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 website of Stock Exchange(s), the Company and the 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 investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) General Instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint 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 (xiii) interest in case of delay in Allotment or refund.

SEBI vide the UPI Circulars, 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 mechanisms for Individual Investors applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days ("UPI Phase I"). The same was applicable until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later("UPI Phase II"). Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 the final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by Individual Investors ("UPI Phase III"), as may be prescribed by the SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline ofT+3 days using the UPI Mechanism for applications by UPI Applicants has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023 ("T+3 Circular"). The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20,2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 01, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of the draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offers (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. If the Offer is made under UPI Phase III, the same will be advertised in all editions of the English national daily

newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Offer Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offers (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Two (2) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/ CIR/P/2021/47dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this draft Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on www.bseindia.com. For details on their designated branches for submitting Application Forms, please refer the above mentioned BSE website.

Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein 50% of the Net Issue is allocated for Individual Investors and the balance shall be offered to individual applicants other than Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-Individual Investor portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Individual Investors category is entitled to more than 50% on proportionate basis, the Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investor Portion where Allotment to each Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Individual

Investor Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for II Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.

PHASED IMPLEMENTATION OF UPI FOR BIDS BY INDIVIDUAL INVESTORS AS PER THE UPI CIRCULAR

SEBI has issued UPI Circulars in relation to streamlining the process of public Offer 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 Individual Investors through intermediaries with the objective to reduce the time duration from public Offer 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 has become applicable from January 1, 2019 till June 30, 2019. Under this phase, an Individual Investor would also have 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 Offer closure to listing would continue to be six working days.*

Phase II: *This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended 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 be continued till further notice. Under this phase, submission of the Application Form by an Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public offer closure to listing would continue to be six working days during this phase.*

Phase III: *This phase has become applicable on a mandatory basis for all public issues opening on or after December 1, 2023 as per the SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI from time to time.*

All SCSBs issuing facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Individual Investors into the UPI payment mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars 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 applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–offer LM will be required to compensate the concerned investor.

The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. All SCSBs offering facility of making application in public Offers shall also provide facility to make application using UPI.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with April 20, 2022 Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager

AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries at Bidding Centers, 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 Stock Exchange i.e. BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Individual Investors may participate in the Issue through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPIID are liable to be rejected. Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*

Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

Excluding Electronic Application Form.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by Individual Investors (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 Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For Individual Investors using UPI mechanism, the Stock Exchanges shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate Individual Investors (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the 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 Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants 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.

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 5.00 p.m. on the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries.

5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility

will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the application still such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

(a) Name of the Applicant;
(b) IPO Name:
(c) Application Form Number;
(d) Investor Category;
(e) PAN (of First Applicant, if more than one Applicant);
(f) DP ID of the demat account of the Applicant;
(g) Client Identification Number of the demat account of the Applicant;
(h) Number of Equity Shares Applied for;
(i) Bank Account details;
(j) 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
(k) Bank account number and (l) Such other information as may be required

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non- Individual Investors and Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 5.00 p.m. on the Issue Closing Date to verify the DP

ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

PARTICIPATION BY ASSOCIATES OF LEAD MANAGER TO THE ISSUE

The Lead Manager 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 Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

The Applications 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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRI

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying 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 Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with a income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in color).

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public.

APPLICATIONS BY HUFS

Applications by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS

FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-

convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   b) Nothing contained in clause (a) shall apply to

      i. Any transactions in derivatives on a recognized stock exchange;
      ii. Short selling transactions in accordance with the framework specified by the Board;
      iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
      iv. Any other transaction specified by the Board.

   c) No transaction on the stock exchange shall be carried forward;
   d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

Provided nothing contained in this clause shall apply to:

   i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
   ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   iii. sale of securities in response to an offer made by any promoters or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
   iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
   v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
   vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
   vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

viii. Any other transaction specified by the Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

   (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
   (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(b) With respect to applications 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 with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 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 Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

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 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 Regulations shall continue to be regulated by the VCF 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 Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the rightto reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications 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 Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the 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.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

APPLICATIONS BY SCSBS:

SCSBs participating in the Issue is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public Issues and clear demarcated funds should be available in such account for such applications.

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 following link: https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after

the date of this draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves 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 regulations, guidelines and circulars issued by RBI from time to time.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;

2. Ensure that you have applied at a Price mentioned herein or in the Application Form.

3. Read all the instructions carefully and complete the Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;

5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Individual Investors using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;

6. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an IB bidding using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an IB using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;

7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Issue. Individual Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;

8. If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Individual Investors, bidding using the UPI Mechanism);

9. All Applicants should submit their Applications through the ASBA process only;

10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;

11. Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at www.sebi.gov.in;

12. Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Ensure that you request for and receive a stamped acknowledgement of your application;

14. Individual Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;

15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;

16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;

17. Except for Applications (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, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications 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 Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

20. Ensure that the correct investor category and the investor status is indicated in the Application Form;

21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. Ensure that you use only your own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Issue;

24. Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the 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 Application Form;

25. Applicants, other than Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;

26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

27. In case of ASBA Applicants (other than Individual Investors using UPI Mechanism), ensure that while applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a

Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in;

28. Once the Sponsor Bank Issue the UPI Mandate Request, the Individual Investors would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request;

29. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;

30. Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the Individual Investors ASBA Account.

31. Individual Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investor shall be deemed to have verified the attachment containing the application details of the Individual Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;

32. Individual Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;

33. Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;

34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the draft Prospectus;

35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;

36. Individual Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date.

37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

Don'ts:

1. Do not apply for lower than the minimum Application size;

2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;

3. Do not apply by another Application Form after submission of Application to the Designated Intermediary.

4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;

5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Do not submit the Application Forms to any non-SCSB bank or our Company;

7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;

8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not submit more than one Application Forms per ASBA Account;

10. Do not submit the Application Forms to any Designated Intermediary that is not authorized to collect the relevant Application Forms or to our Company;

11. Do not apply for the minimum Application size (for Applications by Individual Investors);

12. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;

13. Do not submit the General Index Register number instead of the PAN;

14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;

16. If you are a Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;

17. If you are a Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;

18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a color prescribed for another category of Applicant;

19. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

20. Do not apply 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);

21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Individual Investors can revise their applications during the Issue Period and withdraw their Applicants on or before the Issue Closing Date;

22. Do not apply for shares more than specified by respective Stock Exchanges for each category;

23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Individual Investor using the UPI mechanism;

24. Do not submit incorrect UPI ID details, if you are a Individual Investors applying through UPI Mechanism;

25. If you are a Non-Institutional Investor or Individual Investor, do not submit your application after 3.00 p.m. on the Issue Closing Date;

26. Do not apply if you are an OCB. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the Lead Managers pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see chapter "General Information" on page 74 of this Draft Prospectus.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners andno firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors,insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., whererelevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or –qualified institutional buyers‖ as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to berejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly

bySEBI or any other regulatory authority;

- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of allapplicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the ApplicationAmount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorized employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than ten per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the Company shall, after filing the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI 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. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, shall be in the format prescribed in Part A of Schedule VI of the SEBI Regulations.

ALLOTMENT ADVERTISEMENT

Our Company, the Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and the [●] edition of [●], a [●] daily newspaper ([●] being the regional language of Keral, where our Registered is located) each with wide circulation

SIGNING OF UNDERWRITING AGREEMENT

Our Company, Underwriter and the Lead Manager has entered into the Underwriting Agreement dated 21st March, 2025, this issue is 100% Underwritten.

A copy of the Prospectus will be filled with the ROC in terms of Section 26 and 28 of the Companies Act, 2013.

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:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribingfor, its securities; or
b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, orto any other person a fictitious name,

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs 10 Lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs 10 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs 50 Lakhs or with both.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall begiven as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within three (3) Working Days of Issue Closing Date or such time as prescribed;
5. 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;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two (2) Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
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, under-subscription etc.

8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be 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 ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

UTILIZATION OF ISSUE PROCEEDS

Our Board 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 Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) 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.

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – 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)

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 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 SCSBs:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) 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 application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking the 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 application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the draft Prospectus, without prior or subsequent notice of such changes to the Applicants. 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 Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non- SCSB bank or any Escrow Collection Bank.

WHO CAN APPLY?

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants 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 applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. 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 authorizedto invest in the Equity Shares under their respective constitutional and charter documents;

- QIB's;

- 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);

- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;

- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the non-institutional applicants' category;

- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

- Foreign Venture Capital Investors registered with SEBI;

- State Industrial Development Corporations;

- 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 Rs. 2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;

- Pension Funds with minimum corpus of Rs. 2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;

- Multilateral and Bilateral Development Financial Institutions;

- 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;

- Insurance funds set up and managed by army, navy or air force of the Union of India

- Eligible QFIs;
- Insurance funds set up and managed by the Department of Posts, India;
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines andpolicies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

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

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Draft Prospectus together with the Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and The 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. **https://www.bseindia.com/.**

OPTION TO SUBSCRIBE IN THE ISSUE

a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.

b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.

c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF‘s application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE

ASBA PROCESS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34

A Resident Individual Investors shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, Individual Investors shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV

Individual Investors	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	Individual Investors may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds
Non-Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of finds in the Individual Investors account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY INDIVIDUAL INVESTORS

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, an Individual Investors would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

Application and validation process

a. submission of the application with the intermediary, the Individual Investors would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

b. Individual Investors will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.

c. The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.

d. Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of Individual Investors with the depository.

e. Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

f. SMS from exchange to Individual Investors for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the Individual Investors regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

The Block Process

a. Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with Individual Investors UPI ID, with the Sponsor Bank appointed by the issuer.

b. The Sponsor Bank will initiate a mandate request on the Individual Investors i.e. request the Individual Investors to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment.For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("Cut-Off Time").Accordingly, Individual Investors using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.

c. The request raised by the Sponsor Bank, would be electronically received by the Individual Investors as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.

d. The Individual Investors would be able to view the amount to be blocked as per his / her application in such intimation. The Individual Investors would also be able to view an attachment wherein the IPO Application details submitted by Individual Investors will be visible. After reviewing the details properly, Individual Investors would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.

e. Upon successful validation of block request by the Individual Investors, as above, the said information would be electronically received by the Individual Investors' bank, where the funds, equivalent to application amount, would get blocked in Individual Investors account. Intimation regarding confirmation of such block of funds in Individual Investors account would also be received by the Individual Investors.

f. The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.

g. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.

h. Individual Investors would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, Individual Investors will submit a

revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by Individual Investors using UPI ID.

NUMBER OF APPLICATIONS PER BANK ACCOUNT

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

HOW TO APPLY?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, 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.

MODE OF PAYMENT

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank 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, investors who apply for more than minimum application size, shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (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 and all related circulars issued thereafter, 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.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by Individual Investors using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the Individual Investors account. The Sponsor bank based on the mandate approved by the Individual Investors at the time of blocking of funds, will raise the debit / collect request from Individual Investors bank account, whereupon the funds will be transferred from Individual Investors account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by Individual Investors or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the Individual Investor's account. Individual Investors will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the Individual Investors.

UNBLOCKING OF ASBA ACCOUNT

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the Individual Investors account. The Sponsor bank based on the mandate approved by the Individual Investors at the time of blocking of funds, will raise the debit / collect request from Individual Investors bank account, whereupon the funds will be transferred from Individual Investors account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by Individual Investors or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

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MAXIMUM AND MINIMUM APPLICATION SIZE

The applications in this Issue, being a fixed price issue, will be categorized into two;

a) For Individual Investors

The Application must be for a minimum application size i.e. [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the applicant exceed ₹ 2,00,000 and in two lots.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of [•] Equity Shares so as to ensure that the Application is for more than minimum application size and in multiples of [•] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application is for more than minimum application size for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application form 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 the Prospectus.

INFORMATION FOR THE APPLICANTS:

a) Our Company will file the Prospectus with the Registrar of Companies, Ernakulam, at least 3 (three) working days before the Issue Opening Date.

b) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.

c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the LM.

d) Applicants who are interested in subscribing for the Equity Shares should approach the LM or theirauthorized agent(s) to register their applications.

e) Applications made in the name of minors and/ or their nominees shall not be accepted.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA

Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE Limited i.e. www.bseindia.com.

INTEREST AND REFUNDS

COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

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 where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. 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.

GROUNDS FOR REFUND

NON-RECEIPT OF LISTING PERMISSION

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised. If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight 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 eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 200 (Two hundred), failing which the entire application monies may be refunded forthwith.

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APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected**.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as Demographic Details). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the BSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

   a) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

      1. Each successful applicant shall be allotted [●] equity shares; and

      2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the numberof Shares worked out as per (2) above.

   b) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

   c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added

to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the 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 offer specified under the Capital Structure mentioned in this Prospectus.

d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

1. As the individual investor category is entitled to more than fifty percent on proportionate basis,the individual investors shall be allocated that higher percentage.
2. The balance net offer of shares to the public shall be made available for allotment to

a) Individual applicants other than individual investors and

b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/maybe made available for allocation to applicants in the other category, if so required.

Individual Investor' means an investor who applies for shares of value of not more than Rs. 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 BSE.

The Executive Director / Managing Director of BSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in 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.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

TERMS OF PAYMENT

The entire Issue price of Rs. [●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank 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 or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank 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-individual investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI.

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ELECTRONIC REGISTRATION OF APPLICATIONS

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities on a regular basis before the closure of the issue.

On the Issue Closing Date, the Designated Intermediaries may upload the applications till such time as may be permitted by the Stock Exchange.

Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

(i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

(ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client's norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed bythe Registrar to the Issue to detect multiple applications is given below:

2. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
3. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Individual investors who applied, the Company has a right to reject Applications based on technical grounds.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies, Ernakulam and in terms of Section 26 of Companies Act, 2013.

ISSUANCE OF ALLOTMENT ADVICE

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their respective depository participants to accept the equity shares that may

be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED 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 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.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares offered through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME BSE Limited, where the equity shares are proposed to be listed are taken with three (3) working days of the closure of the issue.

MODE OF REFUNDS

a) In case of ASBA Applicants: Within 2 (two) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the applicant on account of conversion of foreign currency.

c) In case of Other Investors: Within two (2) Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the applicant as obtained from the Depository

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants' through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Investors' account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Investors may refer to Prospectus.

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INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two working days of Issue Closing Date or such other time as may be prescribedby SEBI, providing reasons for such decision and. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh Prospectus with stock exchange.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) We have entered into tripartite agreement dated May 21, 2024 between NSDL, the Company and theRegistrar to the Issue;

(b) We have entered into tripartite agreement dated May 31, 2024 between CDSL, the Company and theRegistrar to the Issue;

The Company's Equity shares bear an **ISIN INE0WOF01014.**

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the

Application Form vis à vis those with his or her Depository Participant.

- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated intermediary to the Issue where the Application 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.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue. The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

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RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment is allowed up to 100% under automatic route in our Company. 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 has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidates 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 issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. 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. 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.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in FDI Policy 2020 has to be obtained by the Company. 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. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii)where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. 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 FEM (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.

i. 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 percent and 24 percent 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.

ii. 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 FEM (Non-Debt Instruments) Rules, 2019 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 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 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 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.

iii. Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2020, FEM (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.

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SECTION IX-MAIN PROVISION OF ARTICLE OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association. The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on 14th March, 2024. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue

Title of Article	Article Number	Content
		I. PRELIMINARY AND INTERPRETATION
	1.	In these regulations i . Company means Kanone Technologies Limited. ii. Office means the Registered Office of the Company. iii. Act means the Companies Act 2013 the rules made thereunder and any amendments thereto and includes any statutory modification or re-enactment thereof for the time being in force. iv. "Seal" means the Common seal of the Company
	2.	Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.
		SHARE CAPITAL AND VARIATION OF RIGHTS
	3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
	4.	(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided (a) One certificate for all his shares without payment of any charges or (b) Several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first.

Title of Article	Article Number	Content
		(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. (iii) In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders
	5.	(i) If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
	6.	Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
	7.	(i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40. (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
	8.	(i) If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. (ii) To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
	9.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
PREFERENCE SHARES		
	10.	Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.
LIEN (MOA)		

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Title of Article	Article Number	Content
	11.	(i) The company shall have a first and paramount lien -- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
	12.	The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made -- (a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
	13.	(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer. (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
	14.	(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
CALLS ON SHARES		
	15.	(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. (iii) A call may be revoked or postponed at the discretion of the Board.
	16.	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
	17.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
	18.	(i)If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.

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Title of Article	Article Number	Content
		(ii)The Board shall be at liberty to waive payment of any such interest wholly or in part.
	19.	(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
	20.	a) The Board -- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance
TRANSFER OF SHARES		
	21.	(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
	22.	The Board may, subject to the right of appeal conferred by section 58 decline to register -- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the company has a lien.
	23.	The Board may decline to recognise any instrument of transfer unless -- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares.
	24.	On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
TRANSMISSION OF SHARES		
	25.	(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares, (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
	26.	(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -- (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.

Title of Article	Article Number	Content
		(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
	27.	(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member
	28.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
FOREFEITURE OF SHARES		
	29.	If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
	30.	The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.
	31.	If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.
	32. **33**	(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
	34. **35.**	(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
	36.	(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive

Title of Article	Article Number	Content
		evidence of the facts therein stated as against all persons claiming to be entitled to the share;
	37.	(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
	38.	(iii) The transferee shall thereupon be registered as the holder of the share; and
	39.	(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
	40.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
ALTERATION OF CAPITAL		
	41.	The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as maybe specified in the resolution.
	42.	Subject to the provisions of section 61 the company may by ordinary resolution (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, (b) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination, (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum, (d) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
	43.	Where shares are converted into stock, - a. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: b. 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 arouse. c. The holders of stock shall , according to the amount of stock held by them, have the same rights , privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage . d. Such of the regulations of the company as are applicable to paid – up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock – holder” respectively. e. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, (a) its share capital; (b) any capital redemption reserve account; or (c) any share premium account.

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Title of Article	Article Number	Content
CAPITALISATION OF PROFITS BY ISSUING BONUS SHARES		
	44.	The company in general meeting may, upon the recommendation of the Board, resolve— (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (ii) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
	45.	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision of these Articles, either in or towards— (A) paying up any amounts for the time being unpaid on any shares held by such members respectively; (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B); (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares; (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
	46.	(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall— (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and (b) generally, do all acts and things required to give effect thereto.
	47.	(i) The Board shall have power— (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares; (ii) Any agreement made under such authority shall be effective and binding on such members.

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Title of Article	Article Number	Content
BUY-BACK OF SHARES		
	48.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.
GENERAL MEETINGS		
	49.	All general meetings other than annual general meeting shall be called extraordinary general meeting.
	50. **51.**	The Board may, whenever it thinks fit, call an Extra Ordinary General Meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board
PROCEEDINGS AT GENERAL MEETINGS		
	52. **53.**	(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
	54.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
	55.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
	56.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
ADJOURNMENT OF MEETING		
	57. **58.** **59.** **60.** **61.**	(i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. (v) Subject to section 103, if at adjournment meeting also, quorum is not present within half- an-hour from the time appointed for holding meeting, the members present shall be quorum.
VOTING RIGHTS AND PROXY		
	62.	Subject to any rights or restrictions for the time being attached to any class or classes of shares, -- (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
	63.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

Title of Article	Article Number	Content
	64.	i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
	65.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
	66.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
	67.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
	68.	i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
PROXY		
	69.	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.
	70.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
	71.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
BOARD OF DIRECTORS		
	72.	The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. a) Mr. Faizal Bavaraparambil Abdul Khader b) Ms. Sruthi Muhammed Ali
	73.	(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them – (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the company.
	74.	The Board may pay all expenses incurred in getting up and registering the company.

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Title of Article	Article Number	Content
	75.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
	76.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
	77.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
		(i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
PROCEEDINGS OF THE BOARD		
	78. **79.**	(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
	80.	(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
	81.	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
	82.	(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
	83.	(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Title of Article	Article Number	Content
	84.	(i) A committee may elect a Chairperson of its meetings. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. (iii) A committee may meet and adjourn as it thinks fit. (iv) 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. (v) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
	85.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER		
	86.	Subject to the provisions of the Act, - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. (iii) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
THE SEAL		
	87. **88.**	The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
DIVIDENDS AND RESERVE		
	89.	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
	90.	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.
	91.	(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at

Title of Article	Article Number	Content
		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. (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
	92. **93.** **94.**	(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
	95.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
	96.	(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent
	97.	Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.
	98.	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.
	99.	No dividend shall bear interest against the company
ACCOUNTS		
	100. **101.**	(i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
WINDING UP		
	102. **103.** **104.** **105.**	Subject to the provisions of Chapter XX of the Act and rules made thereunder -- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

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		(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
INDEMNITY		
	106.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

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SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Draft Prospectus which will be delivered to the ROC Ernakulam for filing. Copies of the contracts and also the documents for inspection referred to hereunder may be inspected at the Registered Office of our Company located at B4(1), 46/2678, Kaniyapilly Road, Chakkaraparambu Vennala P.O Ernakulam, Vennala, Ernakulam, Ernakulam, Kerala, India, 682028 between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at https://kanone.in , and will be available for inspection from date of the Draft Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law

A. Material Contracts

1. Issue Agreement dated 21st March, 2025 entered into between our Company and the Lead Manager.
2. Registrar agreement dated October 22, 2024 entered into between our Company, and the Registrar to the Issue.
3. Tripartite Agreement dated May 31, 2024 between CDSL, our Company and the Registrar to the Issue.
4. Tripartite Agreement dated May 21, 2024 between NSDL, our Company and the Registrar to the Issue.
5. Bankers to the Issue Agreement dated 21st March, 2025 amongst our Company, the Lead Manager, Banker (s) to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
7. Underwriting Agreement dated of 21st March, 2025 between our Company, the Lead Manager and the Underwriters.

B. 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 of our Company dated September 29, 2021 issued by Registrar of Companies.
3. Certificate of Incorporation of our Company dated June 28, 2024 issued by Registrar of Companies after conversion of the company from private to public company.
4. Resolution of the Board of Directors dated October 10, 2024 authorizing the Issue and other related matters.
5. Shareholders' Resolution passed at the Extra-ordinary General Meeting of the Company held on October 15, 2024 authorizing the Issue and other related matters.
6. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Banker to our Issue and Market Maker* to include their names in this Draft Prospectus and to acting their respective capacities.
   **Market Maker Consent shall be taken before filling Prospectus.*
7. Peer Review Auditors Report dated 24th September, 2025 on Restated Financial Statements of our Company for the Financial Year March 31, 2025, March 31, 2024, March 31, 2023.
8. The Report dated 24th September, 2025 from the Statutory Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this

Draft Prospectus.

9. Audit Committees Resolution dated September 24, 2025 approving the KPI and Certificate from the Peer Review Auditor of the Company M/s. Kapish Jain & Associates dated September 24, 2025 with respect to the KPIs disclosed in this Draft Prospectus.
10. Board Resolution dated September 29, 2025 for approval of this Draft Prospectus and Prospectus respectively.
11. Copy of Approval dated [●] from the BSE SME Platform to use their name in the Prospectus for listing of Equity Shares.
12. Due diligence certificate together with visit report submitted to BSE Limited dated September 29, 2025 from Lead Manager to the Issue.
13. Project Cost Vetting report from Dun & Bradstreet dated March 18, 2025.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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SECTION XI- DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Sruthi Muhammed Ali (DIN: 09237016)	Managing Director	SD/-
Anaz Abdul Khader Bavaraparambil (DIN: 07752149)	Executive Director	SD/-
Faizal Bavaraparambil Abdul Khader (DIN: 07729191)	Non-Executive Director	SD/-
Adarsh Punnakkattu Vinu (DIN: 07916481)	Independent Director	SD/-
Vivek Vilas Joshi (DIN: 09182419)	Independent Director	SD/-

Signed by the Chief Financial Officer and Company Secretary & Compliance Officer of the Company:

Name	Designation	Signature
Ambily George (PAN: BCYPG8472K)	Chief Financial Officer	SD/-
Deepak Malhotra (PAN: BCXPM9610A)	Company Secretary and Compliance Officer	SD/-

Place: Ernakulam

Date: 29.09.2025