DRAFT RED HERRING PROSPECTUS
Dated June 26, 2022
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

(*Please scan this QR Code to view the DRHP*)

GLOBAL SURFACES LIMITED

CIN: U14100RJ1991PLC073860

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. PA-10-006 Engineering and Related Industries SEZ, Mahindra World City Tehsil-Sanganer Jaipur – 302 037, Rajasthan.	Aseem Sehgal *Company Secretary and Compliance Officer*	**Email:** cs@globalsurfaces.in **Telephone:** 0141-7191000	www.globalsurfaces.in

THE PROMOTER OF OUR COMPANY IS MAYANK SHAH

DETAILS OF THE OFFER

Type	Fresh Issue Size	Offer For Sale Size	Total Offer Size	Eligibility And Reservations Among QIBS, NIIS, & RIBS
Fresh Issue and Offer for Sale	Up to 8,520,000 Equity Shares aggregating up to ₹ [●] Million	Up to 2,550,000 Equity Shares aggregating upto ₹ [●] Million	Up to ₹ [●] Million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, NIIs, RIBs, see "*Offer Structure*" on page 335.

OFFER FOR SALE

Name of Selling Shareholder	Type	No. of Equity Shares Offered	Weighted Average Price Per Equity Share (In ₹)*
Mayank Shah	Promoter	Up to 1,400,000 Equity Shares	NIL
Sweta Shah	Promoter Group	Up to 1,150,000 Equity Shares	NIL

**As certified by* B. Khosla and Co. *by way of their certificate dated* June 17, 2022.

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and the Offer Price, to be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 123 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 31.

ISSUER'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Selling Shareholders accept responsibility for and confirm only such statements specifically made or confirmed by themselves in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and the Offered Shares in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Selling Shareholders assume no responsibility for any other statement, including, inter alia, any of the statements made by or relating to the Company or its business in this Draft Red Herring Prospectus.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited and National Stock Exchange of India Limited. For the purposes of the Offer, the Designated Stock Exchange shall be National Stock Exchange of India Limited.

BOOK RUNNING LEAD MANAGER

	Name and Logo	Contact Person	Email and Telephone
UNISTONE	**Unistone Capital Private Limited**	Mr. Brijesh Parekh	**Tel:** +91 9820057533 **E-mail:** mb@unistonecapital.com

REGISTRAR TO THE OFFER

Name of the Registrar	Contact Person	Email and Telephone
Bigshare Services Private Limited	Mr. Jibu John	**E-mail:** ipo@bigshareonline.com **Telephone:** +91 22 6263 8200

BID/ OFFER SCHEDULE

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

(1) Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date.
(2) Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Manager, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

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DRAFT RED HERRING PROSPECTUS
Dated June 26, 2022
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

GLOBAL SURFACES LIMITED

Our Company was incorporated under the provisions of the Companies Act, 1956 as "Swastic Niwas Private Limited" on August 23, 1991, as a private limited company vide Certificate of Incorporation issued by Registrar of Companies, West Bengal. Subsequently, the name of our Company was changed to "Global Stones Private Limited" pursuant to Special Resolution passed by the shareholders of our Company at their Extra-Ordinary General Meeting held on May 17, 2004 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, West Bengal on May 28, 2004. Subsequently, the name of our Company was changed to "Global Surfaces Private Limited" pursuant to a Special Resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 07, 2021 and a fresh Certificate of Incorporation dated October 20, 2021 was issued by the Registrar of companies, Jaipur. Thereafter, our Company was converted into a public limited company and the name was changed to "Global Surfaces Limited" pursuant to Special Resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 07, 2021 and a fresh Certificate of Incorporation dated October 21, 2021 was issued by the Registrar of Companies, Jaipur. In the year 2021, the registered office of our Company has been shifted from Kolkata, West Bengal to Jaipur, Rajasthan pursuant to Certificate of Registration of Regional Director order for Change of State dated January 15, 2021. For details in relation to the change in our Registered and Corporate Office of our Company, see "*History and Certain Corporate Matters*" beginning on page 196.

Registered Office: Plot No. PA-10-006 Engineering and Related Industries SEZ, Mahindra World City Tehsil-Sanganer Jaipur-302037, Rajasthan, **Telephone**: +91 0141-7191000;
Contact Person: Aseem Sehgal, Company Secretary and Compliance Officer; **E-mail**: cs@globalsurfaces.in; **Website**: www.globalsurfaces.in
Corporate Identity Number: U14100RJ1991PLC073860

PROMOTER OF THE COMPANY: MAYANK SHAH

INITIAL PUBLIC OFFER OF UP TO 11,070,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GLOBAL SURFACES LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION COMPRISING A FRESH ISSUE OF UP TO 8,520,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,550,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY OUR SELLING SHAREHOLDERS AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES") (SUCH OFFER BY EACH OF THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER AND NET OFFER SHALL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE FULLY-DILUTED POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] AND ALL EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH DAILY NEWSPAPER AND HINDI DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF RAJASTHAN, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision to the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, may for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("**SCSBs**"), other Designated Intermediaries and the Sponsor Bank, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIB Portion"), provided that our Company in consultation with the Book Running Lead Manager may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts and UPI ID (in case of RIIs using UPI mechanism), if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see *"Offer Procedure"* on page 338.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10. The Floor Price, Cap Price and Offer Price to be determined and justified by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" beginning on page 123 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

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" beginning on page 31.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholders, accept responsibility for and confirm only statements expressly made by them in this Draft Red Herring Prospectus solely in relation to themselves and the Offered Shares and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Selling Shareholders assume no responsibility for any other statements, including, *inter alia*, any of the statements made by or relating to our Company or in relation to our business in this Draft Red Herring Prospectus.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE Limited and National Stock Exchange of India Limited for the listing of the Equity Shares pursuant to letters dated **[●]** and **[●]**, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be National Stock Exchange of India Limited. A copy of the Red Herring Prospectus and the Prospectus shall be delivered to the Registrar of Companies, Jaipur **("RoC")** for filing in accordance under Section 26(4) and Section 32 of the Companies Act. For details of the material contracts and documents available for inspection from the date of this Draft Red Herring Prospectus up to the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" beginning on page 378.

BOOK RUNNING LEAD MANAGERS	REGISTRAR TO THE OFFER
UNISTONE	
UNISTONE CAPITAL PRIVATE LIMITED A/ 305, Dynasty Business Park, Andheri-Kurla Road, Andheri East, Mumbai – 400 059, India. **Telephone:** +91 9820057533 **Email:** mb@unistonecapital.com **Investor grievance email:** compliance@unistonecapital.com **Contact Person:** Mr. Brijesh Parekh **Website:** www.unistonecapital.com **SEBI registration number:** INM000012449 **CIN:** U65999MH2019PTC330850	**BIGSHARE SERVICES PRIVATE LIMITED** S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India. **Telephone:** 022-62638200 **Facsimile:** 022-63638280 **Email:** ipo@bigshareonline.com; **Investor grievance email:** investor@bigshareonline.com **Contact Person:** Mr. Jibu John **Website:** www.bigshareonline.com **SEBI Registration Number:** INR000001385 **CIN:** U99999MH1994PTC076534U6

BID/ OFFER PROGRAMME	
BID/ OFFER OPENS ON(1)	**[●] day, [●], 2022**
BID/ OFFER CLOSES ON(2)	**[●] day, [●], 2022**

(1) Our Company and the Selling Shareholders shall, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.
(2) Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Manager, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

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SECTION I –GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations framed thereunder. Notwithstanding the foregoing, the terms used in "Industry Overview", "Key Regulations and Policies", "Statement of Possible Special Tax Benefits", "Restated Financial Statements", "Basis for Offer Price", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Main Provisions of Articles of Association" beginning on pages 132, 189, 126, 232, 123, 308, 338 and 361 respectively shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
"our Company" or "the Company" or "the Issuer" or "GSL"	Global Surfaces Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Plot No. PA-10-006 Engineering and Related Industries SEZ, Mahindra World City Tehsil-Sanganer Jaipur – 302 037, Rajasthan, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company

Company Related Terms

Term	Description
"Articles of Association" or"AoA"	Articles of association of our Company, as amended
Audit Committee	Audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in *"Our Management"* on page 204
"Auditors" or "Statutory Auditors"	B. Khosla and Company, the statutory auditors of our Company
"Board" or "Board of Directors"	Board of directors of our Company or a duly constituted committee thereof
Chairman and Managing Director	The Chairman and Managing Director of our Company, Mr. Mayank Shah
Chief Financial Officer/ CFO	Chief financial officer of our Company, Mr. Rajesh Gattani
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Mr. Aseem Sehgal
Director(s)	Director(s) on our Board

Term	Description
Equity Shares	Equity shares of face value of ₹10/- each of our Company
Executive Director(s)	Executive director(s) on our Board
Independent Director(s)	Independent director(s) on our Board
JAFZA	The Jebel Ali Free Zone Authority
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company shall have the meaning as set out under Regulation 2(1)(bb) of the SEBI ICDR Regulations as described in "Our Management – Key Managerial Personnel" on page 219
Managing Director	Managing director of our Company, Mr. Mayank Shah
Material Subsidiary	Global Surfaces Inc. incorporated in the State of Delaware, United States of America
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in *"Our Management"* on page 204
Promoter	The promoter of our Company, namely Mr. Mayank Shah. For details, see *"Our Promoter and Promoter Group"* on page 223
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in *"Our Promoter and Promoter Group"* on page 223
Proposed Facility	Manufacturing facility being set up by Global Surfaces FZE, our wholly owned subsidiary, for manufacturing engineered quartz at Plot no. S-50902, The Jebel Ali Free Zone, Dubai, UAE
Registered Office	The registered office of our Company situated at Plot No. PA-10-006 Engineering and Related Industries Sez, Mahindra World City Tehsil-Sanganer Jaipur – 302 037, Rajasthan, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Rajasthan at Jaipur
Restated Financial Statements	Restated financial statements of our Company as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 comprise the restated summary statement of assets and liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020, the restated summary statements of profit and loss and the restated summary statement of cash flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, together with the summary statement of significant accounting policies, and other explanatory information thereon derived from consolidated audited financial statements as at and for the year ended March 31, 2022 prepared in accordance with Ind AS and consolidated audited financial statements as at and for the year ended March 31, 2021 and standalone audited financial statements as at and for the year ended March 31, 2020 prepared in accordance with Accounting Standards and restated in accordance with 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

Term	Description
Selling Shareholders	Mr. Mayank Shah and Mrs. Sweta Shah
Shareholders	Shareholders of our Company from time to time
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in *"Our Management"* on page 204
Unit 1/ Unit I	Our production facility situated at E-40 to G-47, RIICO Industrial Area, Bagru Extn., Bagru – 303 007, Jaipur, Rajasthan
Unit 2/ Unit II	Our production facility situated at Plot No. PA-10-006 Engineering and Related Industries SEZ, Mahindra World City Tehsil-Sanganer Jaipur – 302 037, Rajasthan

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who had Bid for an amount of at least ₹100 Million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Offer Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price, but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager

Term	Description
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and includes applications made by RIBs using the UPI Mechanism where the Bid Amount was blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an RIB which was blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, which shall be used by ASBA Bidders to submit Bids and shall be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, Escrow Collection Bank(s), Public Offer Bank(s), Sponsor Bank(s) and Refund Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer as described in "*Offer Procedure*" beginning on page 338
Bid	An indication to make an offer during the Bid/ Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be notified in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper, Hindi also

Term	Description
	being the regional language of Rajasthan, where our Registered Office is located, each with wide circulation. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall also be notified on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/ Offer Opening Date will be published, as required under the SEBI ICDR Regulations
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper, Hindi also being the regional language of Rajasthan, where our Registered Office is located, each with wide circulation
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of three Working Days. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries accepted the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Manager" or "BRLM" or "Lead Manager"	The book running lead manager to the Offer, namely, Unistone Capital Private Limited
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders could submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who will be allocated the Equity Shares, on or after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered amongst our Company, the Selling Shareholders, the Book Running Lead Manager, Syndicate Member(s), the Banker(s) to the Offer and Registrar to the Offer for, inter alia, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price, finalised by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut- off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/ husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which was available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which funds from the Escrow Account(s) are transferred to the Public Offer Account(s) or the Refund Account(s), as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and/ or are unblocked, as applicable, in terms of the Red Herring Prospectus and Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares may be Allotted to successful Bidders in the Offer

Term	Description
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders could submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Stock Exchange	The National Stock Exchange of India
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated 26, 2022 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible FPI(s)	FPI(s) that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/ direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	Bank(s) which are clearing member(s) and registered with SEBI as banker(s) to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	Lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted
Fresh Issue	Fresh issue of up to 8,520,000 Equity Shares aggregating to ₹ [●] Million 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

Term	Description
"General Information Document" or "GID"	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●], entered between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares which shall be made available for allocation to Mutual Funds only, subject to valid Bids having been received at or above the Offer Price
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" beginning on page 110
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
"Non-Institutional Bidders" or "Non-Institutional Investors"	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 200,000/- (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which will be made available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids having been received at or above the Offer Price
Non-Resident	Person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs
Offer/ Net Offer	Initial public offer of up to 11,070,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per equity share) aggregating to ₹ [●] Million. The Offer comprises of a Fresh Issue of up to 8,520,000 Equity Shares aggregating to ₹ [●] Million and an Offer for Sale of up to 2,550,000 Equity Shares aggregating to ₹ [●] Million
Offer Agreement	Agreement dated June 20, 2022 entered amongst our Company, the Selling Shareholders and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of upto 2,550,000 Equity Shares aggregating to ₹ [●] Million by the Selling Shareholders in the Offer
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which was decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, in terms of the Red Herring Prospectus and the Prospectus. The Offer Price was decided by our Company and each of the Selling Shareholders, in consultation with the Book Running Lead Manager, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus and the Prospectus.

Term	Description
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" beginning on page 110
Offered Shares	Up to 2,550,000 Equity Shares aggregating to ₹ [●] Million being offered by the Selling Shareholders in the Offer for Sale
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price). The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper (Hindi also being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	Bank account to be opened with the Public Offer Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Offer Account will be opened, in this case being [●]
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of [●] Equity Shares which shall be available for allotment to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda and corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/ Offer Opening Date and will become the prospectus upon filing with the RoC after the Pricing Date
Refund Account	Account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made

Term	Description
Refund Bank	Banker(s) to the Offer and with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of the SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated June 6, 2022 entered by and amongst our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	Bigshare Services Private Limited
"Retail Individual Bidder(s)" or "RIB(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000/- in any of the bidding options in the Offer (including HUFs who applied through their Karta and Eligible NRIs)
Retail Portion	Portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids having been received at or above the Offer Price)
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date
Self-Certified Syndicate Bank(s) or SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RII using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at

Term	Description
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism could apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the respective portion of Offered Shares by each of the Selling Shareholders and credit of such Offered Shares to the demat account of the Allottees in accordance with the Basis of Allotment
SMS	Short Messaging Service
Specified Locations	Bidding Centres where the Syndicate could accept Bid cum Application Forms
Sponsor Bank	[●], being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and/ or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
"Syndicate" or "Members of the Syndicate"	Together, the Book Running Lead Manager and the Syndicate Members
Syndicate Agreement	Agreement to be entered amongst our Company, the Selling Shareholders, the Book Running Lead Manager, the Registrar and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Underwriters	The BRLM and the Syndicate Members
Underwriting Agreement	Agreement to be entered amongst our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus with the RoC
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int mId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.
UPI Mechanism	The bidding mechanism that was used by RIBs in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business provided however, with reference to (a) announcement of Price Band and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical/ Industry Related Terms or Abbreviations

Term	Description
CAGR	Compounded Annual Growth Rate (as a %): (End Year Value/ Base Year Value) ^ (1/No. of years between Base year and End year) –1 [^ denotes 'raised to']
Capital Employed	Capital employed is calculated as total assets less current liabilities, plus borrowings under current liabilities, current maturities of long-term debts and lease liabilities under current liabilities

Term	Description
CAPEXIL	Chemicals and Allied Products Export Promotion Council
CARO	Companies Auditor's Report Order, 2020
CWIP	Capital work-in-progress
Debt to Equity	Debt to equity is calculated as borrowings under non-current liabilities plus current maturities of long- term debts plus borrowings under current liabilities, divided by total equity
DG Set	Diesel generator set
EBITDA	EBITDA is calculated as restated profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income
EBITDA Margin	EBITDA Margin is the percentage of EBITDA divided by revenue from operations.
Gross Margin	Gross Margin is calculated as revenue from operations less Material Cost
GSM	Grams per square meter
ISO	International Organization for Standardization
Kms./ KM	Kilometres
MRP	Maximum Retail Price
MT	Metric tonnes
Non-GAAP Measure(s)	Non-GAAP measures comprises EBIT, EBITDA, EBITDA Margin, Gross Margin, Other Operating Expenses, Capital Employed, Return on Capital Employed, Return on Equity, Debt to Equity, PAT Margin, CAGR and others
NSF	National Sanitation Foundation
Other Operating Expenses	Other operating expenses is calculated as other expenses less freight and forwarding charges and advertisement and sales promotion expenses.
PAT Margin	PAT Margin is calculated as restated profit for the year/ period divided by total income, represented as a percentage.
P&M	Plant and machinery
PPE	Property, plant and equipment
PV	Photo-voltaic
R&D	Research and development
RIICO	Rajasthan State Industrial Development & Investment Corporation Limited
RONW	Return on net worth
ROCE	Return on Capital Employed is calculated as EBIT divided by Capital Employed
ROE	Return on equity is calculated as restated profit for the year/ period divided by total equity.
ROU	Right to use assets
SEZ	Special Economic Zone
SiO_2	Silicon dioxide
Sq.Ft./ sqft/ sq. ft.	Square feet
Sq.M/ sqm/ sq. mtr.	Square meters

Term	Description
TiO_2	Titanium dioxide
Total Borrowings	Total borrowings is calculated as borrowings under non-current liabilities, plus current maturities of long-term debts, plus borrowings under current liabilities

Conventional and General Terms or Abbreviations

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees
A/c	Account
AED	United Arab Emirates Dirham
AIFs	Alternative Investments Funds
AGM	Annual general meeting
B2B	Business to business
BSE	BSE Limited
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
Companies Act or Companies Act, 2013	Companies Act, 2013, along with the relevant rules framed thereunder
COVID-19	Coronavirus disease 2019, a respiratory illness caused by the Novel Coronavirus and a public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
CST	Central Sales Tax
Demat	Dematerialised
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identification Number

Term	Description
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion)
DP/ Depository Participant	Depository participant as defined under the Depositories Act
DRT	Debt Recovery Tribunal
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Non-debt Instruments Rules/ FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	The Foreign Exchange Management (Non Debt Instruments) Rules, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non Debt Instruments) Regulations, 2019 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019, as applicable
Financial Year/ Fiscal/Fiscal Year/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
FZE	Free Zone Establishment
GAAR	General Anti-Avoidance Rules
Gazette	Gazette of India
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
HNI	High Net worth Individual
HUF	Hindu undivided family
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended

Term	Description
India	Republic of India
Indian GAAP/ IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
IPC	The Indian Penal Code, 1860
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961
MCA	Ministry of Corporate Affairs
MICR	Magnetic Ink Character Recognition
Mn/ mn	Million
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N/A/ N.A./ NA	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
No(s).	Number(s)
Novel Coronavirus	Severe acute respiratory syndrome coronavirus 2, a strain of coronavirus that causes coronavirus disease 2019, a respiratory illness.
NPCI	National Payments Corporation of India
NRE Account	Non-resident external rupee account
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India 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 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. OCBs are not allowed to invest in the Offer
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit after tax
P/E	Price/earnings
P/E Ratio	Price to Earnings ratio

Term	Description
RVAT	Rajasthan Value Added Tax
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SAP	Systems, Applications & Products in Data Processing
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
U.A.E./ UAE	United Arab Emirates
U.S. Securities Act	U.S. Securities Act of 1933
U.S./USA/United States	United States of America
USD or US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

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

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GOI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "U.S.", "US", "U.S.A" or "United States" are to the United States of America and its territories and possessions.

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

Unless the context requires otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless otherwise stated or context requires otherwise, the financial information and financial ratios included in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements as at and for the Fiscals 2020, 2021 and 2022, prepared in accordance with Ind AS.

The restated financial statements of the Company and in the periods applicable, its subsidiaries comprising the restated consolidated balance sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, and the statement of significant accounting policies, and other explanatory information relating to such financial periods ("Restated Consolidated Financial Statements") prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019), issued by the ICAI. For further information, see *"Financial Information"* beginning on page 232 of this DRHP.

Our Company's Financial Year commences on April 01st and ends on March 31st of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12 months period ended on March 31st of that particular year.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring 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 Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS, Indian GAAP and other accounting principles, see Risk Factor No. 63 *" – Significant differences exist between Ind AS and other accounting principles,* *such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition."* beginning on page 62 of this DRHP.

Unless the context requires otherwise, any percentage amounts (excluding certain operational metrics), as set forth in *"Risk Factors"*, *"Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 31, 167 and 289 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Information.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

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$" are to United States Dollar, the official currency of the United States. Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in "million" units. In this regard, please note: (a) One million is equal to 1,000,000/10 lakhs; and (b) 10 million is equal to 10,000,000/100 lakhs/ one crore (c) 1 billion is equal to 1,000,000,000/ 100 crore.

However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million, such figures appear in this Draft Red Herring Prospectus in such denominations as provided in the respective sources.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals, including percentage figures, have been rounded off to the second decimal.

Exchange Rates

This Draft Red Herring Prospectus contains conversion 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 Rupee and the US$:

(in ₹)

Currency	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
US$*	75.81	73.50	75.39

*Source: www.rbi.org.in and www.fbil.org.in

In case the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as various industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this DRHP is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies, and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors including those discussed in chapter titled *"Risk Factors"* on page 31 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI Regulations, we have included in the chapter *"Basis for Offer Price"* on page 123, information pertaining to the peer company of our Company. Such information has been derived from publicly available data of the peer company. Accordingly, no investment decision should be made solely on the basis of such information. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in *"Risk Factors"* beginning on page 31 of this Draft Red Herring Prospectus.

FORWARD LOOKING STATEMENTS

This Draft Red Herring 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 Company's 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 may vary, some or all of which could cause actual results to differ materially from those contemplated by the relevant forward- looking statement. All statements in this DRHP that are not statements of historical fact are '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 and assumptions include, but are not limited to, the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
2. Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
3. Engagement in a highly competitive business and a failure to effectively compete;
4. Inability to identify or effectively respond to evolving preferences, expectations or trends in a timely manner, and a failure to derive the desired benefits from our product development efforts;
5. Changes in technology and our ability to manage any disruption or failure of our technology systems;
6. Our ability to attract and retain qualified personnel;
7. Changes in political and social conditions in India, the monetary and interest rate policies, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
8. The performance of the financial markets in India and globally;
9. Market fluctuations and industry dynamics beyond our control;
10. Changes in foreign exchange rates or other rates or prices;
11. Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
12. Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
13. Termination of clients/ works contracts without cause and with little or no notice or penalty;
14. Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non- compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

For details regarding factors that could cause the actual results to differ from the expectations, please refer to the chapter titled *"Risk Factors"*, *"Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 31, 167 and 289 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders 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 the current views of our Company as of the date of this DRHP and are not a guarantee of future performance. These statements are based on the 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. Our Company, our Directors, the Selling Shareholders, members of the Syndicate or any of their respective affiliates or advisors do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company and the BRLM will ensure that investors in India are informed of material developments from the date of the Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

In accordance with requirements of SEBI and as prescribed under applicable law, the Selling Shareholders shall ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by them in relation to themselves and the Offered Shares in this DRHP until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically confirmed or undertaken by each of the Selling Shareholders in this DRHP shall be deemed to be statements and undertakings made by the Selling Shareholders.

OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Offer. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "Objects of the Offer", "Our Business", "Industry Overview", "Financial Information", "Outstanding Litigation and Material Developments", "Main Provisions of Articles of Association" and "Offer Procedure" beginning on pages 31, 110, 167, 132, 232, 308, 361 and 338, respectively.

Primary business of our Company

Our Company is engaged in the business of processing natural stones and manufacturing engineered quartz. Natural stones are produced by complex geological processes and include a number of products such as granite, limestone, marble, slate, quartzite, onyx, sandstone, travertine, and others that are quarried from the earth. Natural stones are widely known for their uniqueness, aesthetic appeal, texture, color, and composition as no two natural stones are the same. Engineered quartz on the other hand, is an example of engineered stone used in the countertop industry, which is a composite material made up of crushed stone bonded by an adhesive. For instance, for countertops, the slabs are made from quartz crystals bonded with a resin binder.

Industry in which our Company operates

Natural stones are produced by complex geological processes and include a number of products such as granite, limestone, marble, slate, quartzite, onyx, sandstone, travertine, and others that are quarried from the earth. Natural stones are widely known for their uniqueness, aesthetic appeal, texture, color, and composition as no two natural stones are the same. Quartz, an example of engineered stone used in the countertop industry, is a composite material made up of crushed stone bonded by an adhesive. The engineered stone slabs are manufactured by bonding up to 93% natural quartz which is one of the hardest materials, and pigments, aggregates, and polymer resins are used to produce vibrant stone surface with excellent stain, heat, chip, and scratch resistance properties.

Promoter of our Company

The Promoter of our Company is Mr. Mayank Shah.

Size of the Offer

Offer(1)	Up to 11,070,000 Equity Shares aggregating to ₹ [●] Million
of which	
Fresh Issue(1)	Up to 8,520,000 Equity Shares aggregating to ₹ [●] Million
Offer for Sale(2)	Up to 2,550,000 Equity Shares aggregating to ₹ [●] Million by the Selling Shareholders

(1) The Offer has been authorized by resolution of our Board dated March 26, 2022 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated April 25, 2022.

(2) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders have consented to participate in the Offer for Sale pursuant to their consent letters dated March 24, 2022. For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 317.

Objects of the Offer

The proceeds of the Offer are to be utilized for financing the following objects:

(₹ in Million)

Sr. No.	Particulars	Amount
1.	Investment in Global Surfaces FZE for part-financing its capital expenditure requirements in relation to the setting up of the Proposed Facility	900.00
2.	General corporate purposes	[●]
	Total	**[●]**

Aggregate pre-Offer shareholding of the Promoter and Promoter Group members

Category	Number of Equity Shares held	Percentage of pre-Offer paid up capital
Promoter	24,906,368	73.55
Promoter Group	8,736,350	25.80

Financial Information

The following table sets forth summary financial information derived from the Restated Financial Statements, prepared in accordance with Ind AS and the Companies Act for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020:

(₹ in Million)

Particulars	For the Fiscal		
	2022	2021	2020
Share Capital	338.62	64.50	64.50
Net Worth	1,340.35	984.34	644.84
Total Income	1,983.57	1,790.04	1,657.80
Profit/ (loss) after tax	356.34	339.32	209.64
Basic and Diluted EPS (in Rs.)	10.52	10.02	6.19
Net asset value per share (in Rs.)	39.58	152.61	99.98
Total borrowings	372.82	374.60	534.87

The Restated Financial Statements for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020 referred to above are presented under *"Financial Information"* on page 232 of this Draft Red Herring Prospectus.

Auditor Qualifications which have not been given effect to in the restated Financial Statements

No reservations, qualifications and adverse remarks have been made by our Auditors in their reports which have not been given effect to in the Restated Financial Statements for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020.

Outstanding Litigations

A summary of outstanding legal proceedings involving our Company, Directors and Promoter as on the date of this Draft Red Herring Prospectus is provided below:

Name of the Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoter	Material civil litigations	Aggregate amount involved (INR in Million)
Company						
By the Company	-	-	-	-	-	-
Against the Company	-	30	-	-	-	58.88
Directors						
By the Directors	-	-	-	-	-	-
Against the Directors	-	8	-	-	-	0.41
Promoter						
By the Promoter	-	-	-	-	-	-
Against the Promoter	-	7	-	-	-	37.74
Subsidiaries						
By the Subsidiaries	-	-	-	-	-	-
Against the Subsidiaries	-	-	-	-	-	-

The amounts mentioned above may be subject to additional interest/ penalties being levied by the concerned authorities which have not been included above as not being ascertainable as on date of this Draft Red Herring Prospectus. For further details regarding these legal proceedings, please refer to chapter titled *"Outstanding Litigations and Material Developments"* on page 308 of this Draft Red Herring Prospectus.

Risk Factors

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Red Herring 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. The section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. For further details, please refer to chapter titled *"Risk Factors"* on page 31 of this Draft Red Herring Prospectus.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arise from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

As of March 31, 2022, our Company had the following contingent liabilities:

I. Contingent Liabilities

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2022
1.	Income tax demand for which company has preferred appeal	49.85
2.	GST related matter	1.25
3.	Claims against the Group not acknowledged as Debt	0.45
	Total	***51.55***

a) *A search under Section 132 of the Income Tax Act, 1961 was conducted on December 29, 2020 on the parent company, Promoters and their group entities. The parent company has not surrendered any undisclosed income pursuant to return filed u/s 153A of Income Tax Act, 1961. Assessments has also been completed for the block period with certain additions against which the parent company has preferred appeal. The amount of tax demand has been duly shown under contingent liabilities.*

b) *The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.*

II. Commitments

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2022
1.	Estimated value of contracts in capital account remaining to be executed	1,175.02
	Total	***1,175.02***

For further details, please see the *"Note 47 – Restated Contingent Liabilities and Capital Commitments"* under the chapter *"Restated Financial Statements"* on page 282 of this Draft Red Herring Prospectus.

Related Party Transactions

Following are the details of related party transactions for the Fiscals 2020, 2021 and 2022 as disclosed in the Restated Financial Statements:

Details of Transaction Entered during the year	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I. Transactions			
Directors' and KMP Remuneration (including bonus, commission and PF)			
Mayank Shah	28.35	19.25	13.10
Rajiv Shah	-	-	2.80
Sweta Shah	6.36	10.93	3.81
Sudhir Baxi - Sitting Fees	0.03	-	-
Dinesh Kumar Govil - Sitting Fees	0.03	-	-
Yashwant Kumar Sharma - Sitting Fees	0.03	-	-
Rajesh Gattani	0.61	-	-
Aseem Sehgal	0.54	-	-
Professional Fee to Directors			

Details of Transaction Entered during the year	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Aseem Sehgal	0.18	0.29	-
Ashish Kumar Kachawa	1.20	1.28	-
Rental income and maintenance charges	**0.84**	**1.34**	**1.28**
Purchase			
Global Mining Company	-	-	7.19
Sale			
Granite Mart Limited	-	-	0.72
Sweta Shah	2.70	1.93	-
Global Mining Company	0.56	-	-
Sale of Investment Property			
Global Castings Private Limited	20.70	-	-
Purchase of Property, Plant and Equipment			
Vaishanavi Natural Minerals LLP	0.02	-	-
Interest Income			
Shah Projects Private Limited	0.35	0.41	0.08
AVA Stones Private Limited	0.46	0.40	-
Divine Surface Private Limited	1.63	0.41	-
Loan Given			
Divine Surfaces Private Limited			
Opening balance	12.38	3.60	-
Loan Given	1.50	12.00	3.60
Interest received	1.63	0.41	-
Less repaid	0.17	3.63	-
Net balance	15.34	12.38	3.60
Loan Given			
Shah Projects Pvt. Ltd.			
Opening balance	4.04	13.67	-
Loan Given	-	4.00	13.60
Interest received	0.35	0.41	0.08
Less repaid	0.28	14.04	0.01
Net balance	4.11	4.04	13.67
AVA Stones Pvt Ltd			
Opening	3.87	-	-
Loan Given	-	3.50	-
Interest received	0.46	0.40	-
Less: Repaid	0.05	0.03	-
Net balance	4.28	3.87	-
II. Balances			

Details of Transaction Entered during the year	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Employee Benefits Payables			
Rajiv Shah	-	0.92	0.92
Sweta Shah	-	-	0.37
Mayank Shah	0.37	-	-
Rajesh Gattani	0.07	-	-
Aseem Sehgal	0.08	-	-
Trade Payables			
Sudhir Baxi - Sitting Fees	0.03	-	-
Dinesh Kumar Govil - Sitting Fees	0.03	-	-
Yashwant Kumar Sharma - Sitting Fees	0.03	-	-
Ashish Kumar Kachawa	0.04	0.14	-
Loan to Employees			
Mayank Shah	2.17	-	-
Rajesh Gattani	0.19	-	-
Advance to Vendors			
Jagdamba Mines & Minerals	-	-	0.04
Glittek Granites Limited	-	-	0.20
Global Mining Company	-	0.13	0.26
Laminated Products (India)	-	0.36	-
Vaishanavi Natural Minerals LLP	-	-	0.03
Rent Receivable	-	0.83	-
Loans			
Shah Projects Pvt. Ltd.	4.11	4.04	13.67
Divine Surfaces Private Limited	15.34	12.38	3.60
AVA Stones Pvt Ltd	4.28	3.87	-
Trade receivable			
Granite Mart Limited	-	-	0.72
Sweta Shah	1.27	2.28	-
Related party transactions eliminated during the year while preparing the restated consolidated financial information:			
Global Surfaces Limited			
Revenue from sale of goods			
Global Surfaces Inc	218.76	76.79	-
Management Fees			
Global Surfaces Inc	2.43	-	-
Related party balances eliminated during the year while preparing the restated consolidated financial information:			

Details of Transaction Entered during the year	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Global Surfaces Limited			
Trade receivable			
Global Surfaces Inc	100.44	47.03	-
Other receivables			
Global Surfaces FZE	13.97	-	-

For details of related party transactions of our Company, as per the requirements under Ind AS 24 'Related Party Disclosures' for the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022, please see *"Note 40 – Related Party Transactions"* under the chapter *"Restated Financial Statements"* beginning on page 272 of this Draft Red Herring Prospectus.

Financing Arrangements

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

Weighted average price

The weighted average price at which Equity Shares were acquired by our Promoter and Selling Shareholders in the last one year is set forth in the table below:

Name of Promoter	No. of Equity Shares acquired in last one year from the date of this DRHP	Weighted Average Price (in ₹)
Mr. Mayank Shah	10,648,958	Nil
Mrs. Sweta Shah	1,521,000	Nil

Average Cost of Acquisition

The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of Promoter	No. of Equity Shares held	Average cost of acquisition (in ₹)
Mr. Mayank Shah	24,906,368	2.46
Mrs. Sweta Shah	3,549,000	0.60

Pre- IPO Placement

Our Company, in consultation with the BRLM, may consider a pre-IPO placement. Any amount raised from the pre- IPO placement will not be reduced from the Fresh Issue.

Issue of Equity Shares for consideration other than cash in the last one year

Except as disclosed in the chapter titled *"Capital Structure"* beginning on page 85 of this Draft Red Herring Prospectus, our Company has not issued Equity Shares for consideration other than cash during the last one year immediately preceding the date of filing the Draft Red Herring Prospectus.

Split/ consolidation of Equity Shares in the last one year

Our Company has not split/ consolidated equity shares during the last one year immediately preceding the date of filing the Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws

As on the date of this DRHP, our Company has not obtained any exemptions from complying with any provisions of securities laws from SEBI.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Financial Statements" beginning on pages 167, 132, 289 and 232, respectively, of this Draft Red Herring Prospectus, as well as the other financial and statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of our Company and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 21 of this Draft Red Herring Prospectus.

Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Statements" beginning on page 232 of this Draft Red Herring Prospectus. Unless the context otherwise requires, in this section, references to "we", "us", "our", "our Company", or "the Company" refers to Global Surfaces Limited.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Report on Natural and Engineered Stone Industry" dated May 2022 (the "**CARE Report**") prepared and issued by CARE Advisory Research and Training Limited commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

RISKS RELATING TO OUR BUSINESS

1. We are dependent on a few customers for a major part of our revenues. Further we do not enter into long-term arrangements with our customers and any failure to continue our existing arrangements could adversely affect our business and results of operations.

Our sales are concentrated to a few customers with our top 3 customers contributing 67.38%, 73.08% and 65.41% respectively and our top 10 customers contributing 83.63%, 86.04% and 82.77% respectively, of our revenues during the Fiscal 2020, 2021 and 2022, respectively. We presently do not have any long-term or exclusive arrangements with any of our customers and we cannot assure you that we will be able to sell the quantities we have historically supplied to such customers. In the event our competitors' products offer better margins to such customers or otherwise incentivize them, there can be no assurance that our customers will continue to place orders with us. Most of our transactions with our customers are typically on a purchase order basis without any commitment for a fixed volume of business. There can also be no assurance that our customers will place their orders with us on current or similar terms, or at all. Further, our customers could change their business practices or seek to modify the terms that we have customarily followed with them, including in relation to their payment terms. While we negotiate product prices and payment terms with our customers, in the event our customers alter their requirements, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows. In addition, our customers may also cancel purchase orders at short notice or without notice, which could have an impact on our inventory management. In the event of frequent cancellations of purchase orders, the same could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Although our Company maintains long-term relationship with our major customers, there can be no assurance that we will continue to maintain such relationship with our customers. Further, in the event our customers experience any delays in placing orders with us, or if they prefer to buy the products of our competitors, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows. Our inability to maintain our existing customer network could have a negative impact on our sales, business growth prospects, result in slowdown of operation, financial conditions and cash flows. Further, the performance of our customers, their sales network and their ability to expand their businesses are crucial to the future growth of our business and directly affect our sales volume and profitability. If any of the customers fails to sell our products to the end customers, or if our relationships with our customers are affected, our profitability could be significantly affected.

2. ***We do not have long-term agreements with our suppliers for raw materials and an inability to procure the desired quality, quantity of our raw materials in a timely manner and at reasonable costs, or at all, may have a negative impact on our business, results of operations, financial condition and cash flows.***

Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices. Our major raw materials include blocks of stones, grit, powder, pigments, resins and other chemicals. For further information, see *"Our Business – Procurement of Raw Materials"* on page 182 of this Draft Red Herring Prospectus. We depend on external suppliers for all the raw materials required and typically purchase raw materials on a purchase order basis and place such orders with them in advance based on our projected requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. The absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors viz. commodity market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, regulatory changes and trade sanctions. Some portion of our raw materials and consumables are also imported. As a result, we continue to remain susceptible to the risks arising out of raw material price, foreign exchange rate fluctuations as well as import duties, which could result in a decline in our operating margins. If we cannot fully offset the increase in raw material prices with increase in the prices for our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, financial condition and ultimately lead to a liquidity crunch. In the absence of such contracts, we are also exposed to the risk of unavailability of certain raw materials in desired quantities and qualities, in a timely manner.

Although we have not faced significant disruptions in the procurement of raw materials in the past, COVID-19 pandemic temporarily affected our ability to source raw materials from certain vendors who were unable to transport raw materials to us. There can thus, be no assurance that in future we will be able to procure the required quantities and quality of raw materials commensurate with our requirements. In Fiscals 2020, 2021 and 2022, the cost of raw materials and components consumed represents 43.72%, 45.25% and 51.82% respectively, of our revenue from operations. There can also be no assurance that a particular supplier will continue to supply us with raw materials in the future. Any delay in supplying finished products to customers in accordance with the terms and conditions of the purchase orders, such as delivery within a specified time, as a result of delayed raw material supply, could result in the customer refusing to accept our products, which may have an adverse effect on our business and reputation. Further, we cannot assure you of our ability to enter into fresh agreements or renew our existing arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner as well as the commitments to our customers, which may impact our business and profitability.

Further, as we generally receive purchase orders for supply of our products to customers, we rely on historical trends and other indicators to purchase the required quantities of raw materials. We, therefore, run the risk of purchasing more raw materials than necessary, which could expose us to risks associated with prolonged storage of some of these materials, and materially affect our results of operations. Conversely, if our customers place orders for greater quantities of products compared to their historical requirements, we may not be able to adequately source the necessary raw materials in a timely manner and may not have the required available manufacturing capacity to meet such demand. In addition, if all or a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or if our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability and financial performance.

3. Major portion of our revenues are derived from exports to the USA and any adverse developments in this market or restrained economic or political relations of India with the USA could adversely affect our business.

We have historically derived a significant portion of our revenues from exports to the United States of America. In Fiscal 2022, the revenue generated from exports to the USA represented 99.13% of our operating revenue. Accordingly, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the government in the USA could adversely affect our manufacturing and distribution activities, result in modification of our business strategy or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition, results of operations and cash flows. Further, our sales from this region may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services, the outbreak of an infectious disease such as COVID-19, anti-dumping/ trade policies or geopolitical tensions. For instance, sales of engineered quartz surface products from India are presently subject to anti-dumping duty ranging from 5.15% to 2.67% and counter-vailing duty ranging from 2.34% to 1.57% Our failure to effectively react to these situations or to successfully introduce new products or services in this market could adversely affect our business, prospects, results of operations, financial condition and cash flows. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

4. ***Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations.***

Our business requires significant amount of working capital primarily as a considerable amount of time passes between purchase of raw materials and collection of receivables post sales to customers. As a result, we are required to maintain sufficient stock at all times in order to meet manufacturing requirements as well as extend credit period to customers as per the industry practice, thus increasing our storage and working capital requirements. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments and hence we may need to incur additional indebtedness in the future or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events such as the pandemics, outbreak of wars, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations, financial condition and cash flows could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations, financial condition and cash flows. For further information on the working capital facilities currently availed of by us, please see *"Financial Indebtedness"* on page 306 of this Draft Red Herring Prospectus.

5. ***If there are delays in setting up the Proposed Facility or if the costs of setting up and the possible time or cost overruns related to the Proposed Facility or the purchase of plant and machinery for the Proposed Facility are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.***

We are in the process of setting up the Proposed Facility, which will be housed in Global Surfaces FZE, our wholly owned Subsidiary and will be utilised for the manufacturing of engineered quartz.

The Proposed Facility is expected to commence commercial operations by FY 2023-24. The completion of the setting up of the Proposed Facility is dependent on our ability to arrange finance through Net Proceeds or otherwise, the performance of external agencies which are responsible for *inter alia* construction of buildings, installation and commissioning of plant and machinery and supply and testing of equipment. We cannot assure you that we will be able to arrange for such finance on time, or at all. Further, we cannot assure you that the performance of external agencies will meet the required specifications or performance parameters. We may not be able to identify suitable replacement external agencies in a timely manner. If the performance of these agencies is inadequate in terms of the requirements, this may result in incremental cost and time overruns.

Certain plant, machinery and equipment purchased are to be shipped to the Proposed Facility from other regions. Any delay in the transportation of such assets or damage to the assets acquired due to *inter alia* defaults by transportation agencies, may further result in cost and time overruns in the commissioning of the Proposed Facility.

The estimated costs for setting up the Proposed Facility are based on the certificate dated June 23, 2022 given by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers, management's estimates and current conditions and are subject to change, owing to prospective changes in external circumstances, costs and other financial conditions. There could be delays in setting up the Proposed Facility as a result of, amongst other things, requirement of obtaining approvals from statutory or regulatory authorities, contractors' or external agencies' failure to perform, exchange rate fluctuations, unforeseen engineering problems, disputes with workers, increase in input costs of construction materials and labour costs, incremental preoperative expenses, taxes and duties, interest and finance charges, cost escalation and/ or force majeure events (including the continuing impact of the COVID-19 pandemic, geopolitical tensions, etc.), any of which could give rise to cost overruns and delays in our implementation schedules.

If the actual capital expenditures on setting up the Proposed Facility significantly exceed our budgets, we may not be able to achieve the intended economic benefits of the Proposed Facility, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion or commissioning of our plants and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

6. ***Our Units and office premises are located on leasehold basis. If these leasehold agreements are terminated or not renewed on terms acceptable to us, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our Unit II (along with our Registered Office) and Unit I are located on parcel of land that we have taken leasehold basis from Mahindra World City (Jaipur) Limited and RIICO Industrial Area, Bagru Extn., Bagru, Jaipur respectively. Similarly, the Proposed Facility at Dubai is intended to be constructed on leasehold land which has been given by JAFZA in favour of our wholly owned subsidiary, Global Surfaces FZE. These properties have been taken by our Company and Global Surfaces FZE on long-term lease basis with an option to renew for a further period and are subject to compliance with certain terms and conditions. For instance, under the lease deed for the Proposed Facility, Global Surfaces FZE is required to achieve minimum shipment volume stipulated therein for block of every five years failing which Global Surfaces FZE will be liable to pay additional rent of AED 991,441 for the relevant block of five years to the authority, JAFZA. If we fail to meet any such conditions, we may be required to incur liability. Further, according to the various statutory rules governing SEZ, SEZ also retains the power to cancel allotment of land in the event of breach of any rules of allotment. Cancellation of the land allotted/ leased out to us due to *inter alia* non-compliance of the conditions of the offer letter, allotment letter or lease deed, as the case may be, could adversely impact our results of operations and financial condition.

7. ***We are in the process of expanding our operations and establishing a network of customers, particularly for engineered stone product category, in regions where we do not have a significant presence or prior experience. Any failure to expand into these new regions could adversely affect our sales, financial condition, result of operations and cash flows.***

In order to cater to the growing market demand for our products, specifically for engineered quartz, and expand our presence in new regions, we are in the process of deepening our presence in the Middle East through our wholly owned subsidiary Global Surfaces FZE. We may not possess the same level of familiarity with the economic condition, customer network, end-customer base and commercial operations in the new regions we propose to enter into and therefore, we will be initially exposed to a degree of risk in realization and volume of sales. There can be no assurance that our expansion plans in these new regions will be successful, as our competitors may have a more established reputation, more experience in trends and deeper relationships with customers in these regions. Further, having limited or no presence in such new regions as compared to some of our competitors, may lead to lower product pricing due to lack of presence and higher expenditure on reputation building. As a result, it may be more expensive for us to manufacture or distribute engineered stones in these new regions and it may take longer to reach the expected sales and profit levels than anticipated, which could affect the viability of these operations or our overall profitability. There can be no assurance that our products will gain market acceptance or meet the particular requirements of customers in these new markets and regions. If we do not successfully establish our operations, reputation and image in these new markets and regions, our sales, financial condition, results of operations and cash flows could be materially and adversely affected.

8. ***We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have in the past entered into transactions with certain our related parties. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties.

We have agreed to take on lease second floor premises admeasuring about 2785 sq. ft. or thereabouts situated on Plot No. 18 and 19, Income Tax Colony, Suraj Nagar West, Civil Lines, Jaipur, Rajasthan belonging to Mrs. Sweta Shah, our Executive Director, for a period of 118 months effective from July 1, 2022 for the purpose of providing residential accommodation to our KMPs and their family members. Our Company has been granted a rent-free period of twenty-four months (upto June 30, 2022) to construct the aforesaid premises. For further information, please see *"Our Management – Interest of our Directors"* on page 209.

Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that any such future transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

Related party transactions with our Promoter, some of our Directors, their entities and relatives and our Subsidiaries primarily relate to remuneration, loan and sales. Below table describes the related party transactions as percentage of revenue of operations

Sr. No.	Type of Related Party Transactions	2019-20		2020-21		2021-22	
		₹ in Million	% of Revenue from Operations	₹ in Million	% of Revenue from Operations	₹ in Million	% of Revenue from Operations
1.	Business Transactions (Sales, purchase and rental income)	9.19	0.56	3.27	0.19	24.82	1.30

2.	Financial transactions (loan given and recovered and interest received)	17.29	1.06	38.42	2.19	4.44	0.23
3.	Remuneration & Bonus Paid	19.71	1.21	30.18	1.72	35.95	1.89
4.	Professional & Management fees	-	-	1.57	0.09	1.38	0.073
Total		**46.19**	**2.83**	**73.44**	**4.19**	**66.59**	**3.49**

For further information on our related party transactions, please see "*Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Statements"* beginning on page 272.

9. We have incurred borrowings from commercial banks and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.

We have entered into agreements with banks for short-term and long-term borrowings. These borrowings include secured fund based and non-fund based facilities. As of March 31, 2022, we had Total Borrowings (consisting of borrowings under non-current liabilities, current maturities of long-term debts and borrowings under current liabilities) of ₹ 372.82 Million, which comprises of secured loans from Punjab National Bank and vehicle loans. The financing agreements that we have entered into for availing the secured loans contain negative covenants, including for availing fresh credit facility, giving fresh loans and advances, issuing corporate guarantee, etc. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to termination of one or more of our credit facilities or incur penalties and acceleration of payments under such credit facilities, foreclosure on our assets, trigger cross-default provisions under certain of our other financing agreements which may adversely affect our financial condition and our ability to conduct and implement our business plans.

Further, we are required to, amongst other obligations, comply with certain financial covenants including maintaining the prescribed inventory margins, insurance covers on the hypothecated properties and lien creation. Our hypothecated assets comprise of our stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movable current assets including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future. We have also mortgaged our immovable assets in favour of the bank to secure the aforesaid facilities. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. Any fluctuations in the interest rates may directly impact the interest costs of such loans and affect our business, financial condition, results of operations and prospects. Our ability to make repayments and refinance our indebtedness will depend on our continued ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt. For further information, please see *"Financial Indebtedness"* beginning on page 306 of this Draft Red Herring Prospectus.

10. We, through our wholly owned subsidiary Global Surfaces FZE, are in the process of setting up the Proposed Facility for manufacturing of engineered stone in Dubai, UAE. Such venture may not be profitable or achieve the profitability that justifies our investment, which may have an adverse impact on our prospects, growth, results of operations and financial condition.

We intend to make investments in our wholly owned subsidiary Global Surfaces FZE incorporated in Dubai, UAE to aid our growth efforts and expand our presence in the international markets. We intend to use a part of the Net Proceeds towards this investment. For further information, see *"Our Business – Proposed Expansion Plans"* and *"Objects of the Offer"* on pages 182 and 110 respectively.

Our expansion plans remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in the Proposed Facility, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed expansion will be completed as planned or on schedule, and if it is not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets are sufficient to cover the proposed expansion, we may not be able to achieve the intended economic benefits of the proposed expansion, which in turn may materially and adversely affect our financial condition, results of operations, cash flows and prospects. There can be no assurance that we will be able to complete the aforementioned expansion in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

The proposed expansion will require us to obtain various approvals, which are routine in nature. In addition to such pending approvals, we may also need to apply for certain additional approvals required for investment in a foreign country. There can be no assurance that we will be able to obtain these registrations and approvals in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

11. Information relating to the installed production capacity and capacity utilization of our production Units included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.

Information relating to the installed production capacity and capacity utilization of our Units included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been considered by an independent chartered engineer while calculating the installed production capacity of, and actual production volumes at, our Units. The assumptions and estimates include the standard capacity calculation practices of the natural stones and engineered quartz industry after examining the period during which the Units were operational during the year, the expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies, and taking into account the number of working days in a year, number of days in a month, number of shifts in a day and average number of batches per day. Actual production capacity, production levels and utilization rates may therefore vary from the information of our Units included in this Draft Red Herring Prospectus or from the historical installed production capacity information of our Units depending on the product type. Accordingly, undue reliance should not be placed on our historical installed capacity information for our existing facilities included in this Draft Red Herring Prospectus.

12. Any unscheduled or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition, results of operations and cash flows.

Any unscheduled or prolonged disruption of our manufacturing operations, including power failure, fire and unexpected mechanical failure of equipment, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents or any significant social, political or economic disturbances, or infectious disease outbreaks such as the COVID-19 pandemic, could reduce our ability to manufacture our products and adversely affect our revenues from operations in such period.. Any such disruption may interrupt our operations, which may interfere with the manufacturing process, requiring us to either stop our operations or repeat activities that may involve additional time and costs. Our customers rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Although we take precautions to minimize the risk of any significant operational problems at our Units, our customer relationships, business, financial condition, results of operations and cash flows may be adversely affected by any disruption of operations at our Units, including due to any of the factors mentioned above.

Disruptions in our operations could delay production or require us to temporarily cease operations at our Units. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our Units to cease, or limit, production until the disputes concerning such approvals are resolved. As regulatory approvals are site specific, we may be unable to transfer production activities to another location immediately. Similarly, there is no assurance that those of our Units unaffected by an interruption will have the capacity to increase their output to manufacture products for the affected Units, to the extent that all outstanding orders will be fulfilled in a timely manner. In the event of prolonged interruptions in the operations of our Units, we may have to make alternate arrangements for supplies and products in order to meet our production requirements, which could affect our profitability.

13. ***Our Company, its Promoter and our Directors are party to certain legal proceedings. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.***

Our Company, Promoter and some of our Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and other authorities. In the event of any adverse rulings in these proceedings or the consequent levying of penalties, we may need to make payments or make provisions for future payments, which may increase our expenses and current or contingent liabilities.

The summary of outstanding litigation involving our Company, Promoter and Directors as on the date of this Draft Red Herring Prospectus have been provided below in accordance with the materiality policy adopted by our Board. As of the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Companies, the outcome of which could have a material impact on our Company. For details, please see *"Outstanding Litigation and Material Developments"* on page 308.

Name of the Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoter	Material civil litigations	Aggregate amount involved (INR in Million)
Company						
By the Company	-	-	-	-	-	-
Against the Company	-	30	-	-	-	58.88
Directors						
By the Directors	-	-	-	-	-	-

Against the Directors	-	8	-	-	-	0.41
Promoter						
By the Promoter	-	-	-	-	-	-
Against the Promoter	-	7	-	-	-	37.74
Subsidiaries						
By the Subsidiaries	-	-	-	-	-	-
Against the Subsidiaries	-	-	-	-	-	-

The amounts mentioned above may be subject to additional interest/ penalties being levied by the concerned authorities which have not been included above as not being ascertainable as on date of this Draft Red Herring Prospectus. We cannot assure you that these proceedings will be decided in favour of our Company, Promoter or our Directors, as the case may be. Any adverse decision in such proceedings may render us liable to penalties and may have a material adverse effect on our reputation, business and financial condition. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour laws, personal injury and property damage, etc.

Furthermore, if we get involved in disputes with third-parties in the course of our operations such as suppliers, customers and sub- contractors, the same may lead to legal or other proceedings and may result in substantial costs, delays in our development and operation schedule, and the diversion of resources and management's attention, regardless of the outcome. We may also have disagreements with regulatory authorities in the course of our operations, which may subject us to legal proceedings and unfavourable decisions that may result in penalties or delay or disrupt our development and operations.

14. ***Our Statutory Auditors have included certain emphasis of matter in their examination report on the Restated Financial Statements.***

Our Statutory Auditors have included emphasis of matter in their examination report on the Restated Financial Statements indicating that their audit reports for the Fiscals 2021 and 2020 included emphasis of matter forming part of the notes thereunder, on the issues relating to implementation and integration of ERP system and the management assessment of the impact of COVID-19 on the business operations.

There can be no assurance that any similar emphasis of matter or remarks will not form part of our financial statements for the future fiscal periods, or that such remarks will not affect our financial results in future fiscal periods. Investors should consider the remarks and observations in evaluating our financial condition, results of operations and cash flows. Any such remarks or emphasis of matter in the auditor's report and/ or CARO report on our financial statements in the future may also affect the trading price of the Equity Shares.

15. ***Our funding requirements and proposed deployment of the Net Proceeds are based on third party certification and management's estimates which may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on the certificate dated June 23, 2022 issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers and internal management's estimates which are based on current market conditions and have not been appraised by any bank or financial institution. Our funding requirements may be subject to change based on various factors which are beyond our control. While we intend to deploy the Net Proceeds towards the Objects from listing of the Equity Shares pursuant to the Offer till FYE 2023, as more particularly disclosed in the chapter titled *"Objects of the Offer"* on page 110 of this DRHP, the actual deployment of funds will depend on a number of factors including market conditions, our Board's analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital. We cannot assure you that the deployment of Net Proceeds will take place within the aforesaid period, as currently intended. Depending upon the above factors, we may have to reduce or extend the deployment period for the stated Objects beyond the estimated period, at the discretion of our management. For further details, please see *"Objects of the Offer"* beginning on page 110 of this Draft Red Herring Prospectus.

16. Our inability to collect receivables from our customers or default in payment by them could result in the reduction of our profits and affect our cash flows.

Our operations involve extending credit for extended periods of time to our customers in respect of our products and consequently, we face the risk of non-receipt of these outstanding amounts in a timely manner or at all, particularly in the absence of long-term arrangements with our customers. While we have not adopted any credit policy, we typically operate on pre-sanctioned credit limits with customers and cannot guarantee that our customers will not default on their payments. While we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit, we extend to what we believe is reasonable based on an evaluation of each customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate. As majority of our customers operate from foreign jurisdictions, pursuing legal remedies to collect the trade receivables may involve paying higher legal fees and other expenses. Our inability to collect receivables from our customers in a timely manner or at all in future, could adversely affect our working capital cycle and cash flows. In Fiscals 2020, 2021 and 2022, our trade receivables were ₹ 280.68 Million, ₹ 398.01 Million and ₹ 389.78 Million respectively, which represented 17.19%, 22.70% and 20.48% of our revenues from operations for such periods, respectively. Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy of our customers and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements or default on their payment obligations to us. During the Fiscals 2020, 2021 and 2022, our bad debts were ₹ 3.94 Million, ₹ 6.64 Million and Nil respectively. An increase in bad debts or in defaults by our customers may compel us to utilize greater amounts of our operating working capital and result in increased financing costs, thereby adversely affecting our results of operations and cash flows.

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

Our success depends on the supply and transport of the various raw materials required for our Units and of our finished products from our Units to our customers, which are subject to various uncertainties and risks. We rely on third-party freight and transportation providers for the delivery of our products to customers with whom we have no formal arrangement, to provide rail, road and other transportation facilities. We also depend on sea borne freight in respect of import and export operations. Such transportation providers are arranged on an as-needed basis. We maintain marine cargo open insurance policy to cover any damage to our products during transit. Transportation strikes, if any, could have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, we undertake our import/ export facilities majorly from Mundra port situated in Gujarat and are therefore heavily dependent on the smooth functioning of the Mundra port for our export activities. Also, we are situated far away from the port which increases the transportation cost and time required to complete any order. Further to the transportation cost, it also increases the insurance cost and the risk faced in conveyance to and from the ports to our Units.

Raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. Our average stock of finished goods for the Fiscals 2020, 2021 and 2022 was ₹ 152.57 Million, ₹ 191.65 Million, ₹ 285.13 Million respectively and raw material and consumables for the Fiscals 2020, 2021 and 2022 was ₹ 94.84 Million, ₹ 95.53 Million, ₹ 115.13 Million respectively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet customer orders in a timely manner or at all. Any such inability may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers and the goodwill of the Company in the market. The current war between Ukraine and Russia has resulted in various global sanctions being levied on Russia which is a major exporter of fossil fuels and natural gas, these sanctions have corresponded in an economic slowdown and an increase in fuel costs throughout the world. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third- party transportation providers. Our freight and forwarding charges were ₹ 63.61 Million, ₹ 68.62 Million and ₹ 83.39 Million in Fiscal 2020, 2021 and 2022 respectively. A continued rise in the cost of fuels could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations or passing these charges on to our customers, which could adversely affect demand for our products.

18. ***Our Restated Financial Statements disclose certain contingent liabilities which if materialize, may adversely affect our business, financial condition, cash flows and results of operation.***

As of March 31, 2022, our contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, were as follows:

<u>Contingent Liabilities</u>

(₹ in Millions)

Sr. No.	Particulars	As at March 31, 2022
1.	Income tax demand for which company has preferred appeal	49.85
2.	GST related matter	1.25
3.	Claims against the Group not acknowledged as Debt	0.45
	Total	***51.55***

a) A search under Section 132 of the Income Tax Act, 1961 was conducted on December 29, 2020 on the parent company, Promoters and their group entities. The parent company has not surrendered any undisclosed income pursuant to return filed u/s 153A of Income Tax Act, 1961. Assessments has also been completed for the block period with certain additions against which the parent company has preferred appeal. The amount of tax demand has been duly shown under contingent liabilities.

b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition, results of operations and cash flows. For further information on our contingent liabilities as per Ind AS 37, see *"Restated Financial Statements – Note 47 – Contingent Liabilities and Capital Commitments"* beginning on page 282 of this Draft Red Herring Prospectus.

19. We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business and if we fail to do so in a timely manner or at all and our business, financial conditions, results of operations and cash flows may be adversely affected.

Our operations are subject to government and statutory regulations and we are required to obtain and maintain several permits, consents and regulations and approvals under central, state and local government rules for operating our business generally for our Units. While we believe that we have obtained the necessary and material approvals, licenses, registrations and permits from the relevant authorities, there could be instances where we may not have applied, obtained or applied with a delay for certain requisite approvals applicable to us. For instance, registration under Contract Labour (Regulation and Abolition) Act, 1970 was not in place prior to 2021. Further, we may have breached certain limits as permitted in the approvals, licenses, registrations or permits previously obtained. For instance, we have breached the production limit as sanctioned by the pollution control board, by 166,935.29 sq. mtr. per annum, 1,39,780.90 sq. mtr. per annum and 5,393.61 sq. mtr. per annum, on an average, during the Fiscals 2020, 2021 and 2022 respectively. While an application has been made by us to the concerned authority for increasing the production limit so that it is in line with our current production capacity, we cannot assure you that no action will be taken against us for such breach. Penalties may be levied against our Company for the breach of limits which may adversely affect the financial position of our Company. We also need to apply for renewal, from time to time, of some of such approvals, licenses, registrations and permits, which expire or seek fresh approvals, as and when required, in the ordinary course of our business. While we generally apply for the renewal of approvals in a timely manner, we cannot assure that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. Further, there may also be delay in applying for renewal or receiving the grant of such approval due to COVID-19 pandemic.

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 adversely affect our related operations. Further, 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.

The approvals required by us are also subject to numerous conditions including, among others, quantum of raw materials to be used, fire and safety measures, etc. Further, in some cases, consent of relevant authorities is required in case there is any modification/ alteration/ change in product mix. The conditions and the obligation to renew the approval or license at regular intervals are also prescribed in such approvals and licenses. We cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or cancelled or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

Environmental and occupational health and safety laws and regulations, and the interpretation and enforcement thereof, are subject to change and have tended to become stricter over time, in India and internationally. While we are not aware of any outstanding material claims or obligations, we may incur substantial costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of violations of or liabilities under environmental or health and safety laws or non-compliance with permits required at our facilities, which, as a result, may have an adverse effect on our business and financial conditions. We cannot assure you that non-compliances will not occur in the future or that we may not be subject to any penalties in relation to such non-compliances which may affect our profitability, business, financial conditions and results of operations. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business, financial conditions, results of operations and cash flows.

20. We have not received consent from a Promoter Group member for including its name in the Draft Red Herring Prospectus

Our Company has *vide* letter dated May 15, 2022 sought the consent from our Promoter Group member, Glittek Infrastructure Private Limited ("GIPL"), to be named in the Draft Red Herring Prospectus as well as other requisite information and certifications in order to make true and accurate disclosures in the Draft Red Herring Prospectus. We have subsequently also sent reminder letters dated June 02, 2022 and June 15, 2022 to GIPL. In the absence of any response from GIPL, there can be no assurance regarding the accuracy of information in the Draft Red Herring Prospectus pertaining to GIPL or that it will not object to its name being included in the Draft Red Herring Prospectus without its express consent.

21. We rely on only one port for the majority of our exports. Disruption of transportation from this port may interrupt our exports which could impact our sales and results of operations.

Majority of our exports are from the Mundra Port located in Gujarat. In the event of any disruption at the Mundra port, due to natural or man-made disasters, workforce disruptions, delay in regulatory approvals, fire, failure of machinery, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions in and around the port could seriously hamper our ability to export our products. This may obstruct the exports temporarily or for a long period, which may adversely affect our operations and financial performance.

We also run the risk of the finished products being lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. However, we maintain marine cargo open insurance policy to cover any damage to our products during transit. There may also be a delay in delivery of products to the port which may also affect our business and results of operations negatively.

22. All our production Units are located in one geographic area and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Jaipur, Rajasthan or any disruption in production at, or shutdown of, our production Units could have material adverse effect on our business and financial condition.

As on the date of this Draft Red Herring Prospectus, our operational Units are located in and around Jaipur, Rajasthan with a proximity of less than twenty kilometres from each other. Accordingly, our current manufacturing operations are concentrated in one geographic area.

Our manufacturing operations and consequently our business is dependent upon our ability to manage the Units, which is subject to operating risks, including those beyond our control. In the event of any disruptions at our Units, due to natural or man-made disasters, workforce disruptions, delay in regulatory approvals, fire, failure of machinery, lack of continued access to assured supply of electrical power and water at reasonable costs, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions in and around Jaipur, Rajasthan, our ability to manufacture our products may be adversely affected.

Disruptions in and around our Units could delay production or require us to shut down the Units. Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the Units may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our Units, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

Further, any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect our manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuous operations at our manufacturing facilities could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects. Further, continuous addition of industries in and around our Units without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business. Further, the spiralling cost of living around our manufacturing facilities may push our manpower costs higher, which may reduce our margin and cost competitiveness.

23. Under-utilization of our production capacities could have an adverse effect on our business, future prospects and future financial performance.

As of March 31, 2022, we are operating out of two Units in Jaipur, Rajasthan with an aggregate estimated installed production capacity of 4,71,164 sq. mtr per annum for natural stones and 5,21,643 sq. mtr. per annum for engineered quartz. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and products with consistent long-term demand and the demand-supply balance of our products in the principal and target markets. In particular, the level of our capacity utilization can impact our operating results. Capacity utilization is also affected by our product mix and the demand and supply balance.

In Fiscals 2020, 2021 and 2022, our overall capacity utilization for natural stones was 63%, 57.26% and 28.74%, respectively and for engineered quartz was 70.38%, 64.01% and 68.96%, respectively. For further information, see *"Our Business – Capacity and Capacity Utilization"* on page 181 of this Draft Red Herring Prospectus. These rates are not indicative of future capacity utilization rates, which are dependent on various factors, including demand for our products, availability of raw materials, shipping cost, our ability to manage our inventory and improving operational efficiency. Under-utilization of our production capacities over extended periods or significant under-utilization in the short-term could materially and adversely impact our business, growth prospects and future financial performance.

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at Units, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of electricity, water or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current Units, resulting in operational inefficiencies which could have a materially adverse effect on our business and financial condition. Further, we intend to use a part of the Net Proceeds towards setting up of our Proposed Facility located at Dubai, UAE. Our proposed expansion plans are based on demand forecasts that are subject to various assumptions including product trends in the industry, seasonality in the industry and end-customer spending preferences, that are based on prevailing economic conditions. Adequate utilization of capacities at the Proposed Facility is therefore subject to various factors beyond our control and in case of oversupply in the industry or lack of demand, we may not be able to utilise our expanded capacities efficiently. The success of any capacity expansion and expected return on investment on capital invested is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel; ability to absorb additional infrastructure costs and develop new expertise while also utilizing the expanded capacities as anticipated. Please also see "*Risk Factor No. 5 – If there are delays in setting up the Proposed Facility or if the costs of setting up and the possible time or cost overruns related to the Proposed Facility or the purchase of plant and machinery for the Proposed Facility are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects*." on page 34 of this Draft Red Herring Prospectus.

24. We may not be able to identify or effectively respond to evolving preferences, expectations or trends in a timely manner and a failure to derive the desired benefits from our product development efforts may impact our competitiveness and profitability.

The success of our business depends in part on our ability to anticipate, identify and respond promptly to evolving trends in demographics and preferences, customer expectations, needs and demands, and develop new products to meet these requirements. Our success is dependent on our ability to identify and respond to the economic, social, and other trends that affect demographic and end- customer preferences in a variety of our stones categories.

We cannot assure you that our future product development initiatives will be successful or be completed within the anticipated period or budget, or that our newly developed or improvised products will achieve wide market acceptance from our customers. Even if these products have been successfully developed, there is no guarantee that they will be accepted by our customers and achieve anticipated sales targets in a profitable manner, which may affect our ability to grow our network of customers and gain market share. In addition, there can be no guarantee that the time and effort that we spend in developing these products would be beneficial to our Company. This could also adversely affect our ability to pursue our growth strategy of continuing to develop niche and products to grow our market share. Further, we cannot assure you that our existing or potential competitors will not develop products that are similar or superior to our products. It is often difficult to estimate the time to market new products and there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the development of such product. If we fail in our product launching efforts, our business, prospects, financial condition, results of operations and cash flows may be materially and adversely affected.

Further, as we continue to grow our business by expanding our products, offerings and our geographic reach, maintaining quality and consistency may be more difficult and there can be no assurance that the customers' confidence in our products will not diminish. Failure or any delay on our part to identify such trends, to align our business successfully and maintain quality could negatively affect our image, our relationship with our customers, the rate of growth of our business, our market share and our prospects.

We must, on a regular basis, keep pace with the preferences and quality requirements of our consumers, invest continuously in new technology and processes to provide products having the desired qualities and characteristics, and continually monitor and adapt to the changing market demand. An unanticipated change in consumer demand and any sudden change in Government regulations may adversely affect our liquidity and financial condition.

25. Inability to protect, strengthen and enhance our existing reputation could adversely affect our business prospects and financial performance.

Our business reputation is critical to the success of our business. While we have been making consistent efforts to strengthen our image, various factors, some of which are beyond our control, are critical for maintaining and enhancing our reputation and if not managed properly, may negatively affect our brand and reputation. These include our ability to effectively manage the quality of our products, increase brand awareness among existing and potential customers, adapt our advertising and promotion efforts to emerging industry standards and protect the intellectual property related to our brand. Please also see Risk Factor No. 27 *"We may not be able to adequately protect or continue to use our intellectual property. In addition, the use of our brands or similar trade names by third parties could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows."* on page 48.

Our success in marketing our existing and new products depends on our ability to adapt to a rapidly changing marketing and media environment, including our increasing reliance on direct promotional initiatives. There can be no assurance that our marketing efforts will be successful in maintaining our reputation and its perception with customers and/ or result in increased sales in the future. Also, we may not necessarily increase or maintain our sales promotion spending in proportion to our growth in the future, which may result in limited marketing initiatives. Our inability to adapt to evolving marketing trends at the same pace as our competitors may adversely affect our ability to effectively compete in terms of our image value.

Our reputation could also be negatively impacted if we fail to maintain our established standards of service, or if our products fail to meet the expectation of our customers. Any allegations of deterioration in product quality even when false or unfounded, could tarnish our image and may cause our customers to choose other competing products. Any negative publicity regarding us, our reputation, our products or the stones industry generally could adversely affect our business and our results of operations. Other risks associated with our industry include improper disclosure of proprietary information, negative comments about our brands or standard of service, exposure of personally identifiable information, fraud, hoaxes or malicious exposure of false information. The inappropriate use of social media by our customers, employees, suppliers or other third parties could also harm our reputation thereby increasing our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, results of operations and financial condition. In addition, counterfeit products, product defects and ineffective promotional activities are all potential threats to the image and potency of our brand. Our failure to develop, maintain and enhance our brand may result in decreased revenue and loss of customers and in turn adversely affect our reputation, business, financial condition, results of operations and cash flows.

26. Our ability to grow our business depends on our relationships with our customers and any adverse changes in these relationships, or our inability to enter into new relationships and thereby expand our customer network, could negatively affect our business and results of operations.

Our business is dependent on the decisions and actions of our customers which is determined by our ability to maintain and strengthen our relationships and arrangements with existing customers. Our relationship with our customers is dependent to a large extent on our ability to regularly meet their requirements, including by introducing products with greater marketability, price competitiveness, efficient and timely product deliveries and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers. There are also a number of factors relating to our customers beyond our control that might result in the termination of our arrangement or the loss of a customer relationship, including change in preferences of our customers as well as a demand for price reductions. Further, the deterioration of the financial condition or business prospects of these customers could affect their ability to maintain inventory and thus reduce demand for our products and could result in a significant decline in the revenues we derive from such customers. Adverse changes in our relationships with our customers or the inability to develop new products for existing customers or to successfully establish relationships with new customers, could therefore limit our business prospects, which could adversely affect our financial performance. Please also see "*Risk Factor No. 7 – We are in the process of expanding our operations and establishing a network of customers, particularly for engineered stone product category, in regions where we do not have a significant presence or prior experience. Any failure to expand into these new regions could adversely affect our sales, financial condition, result of operations and cash flows.*" on page 35 of this Draft Red Herring Prospectus.

We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor freight forwarding of our products, transportation bottlenecks, natural disasters, infectious disease outbreaks such as the pandemics, acts of war and labour issues, which could lead to deliveries being delayed or lost, resulting in insufficient inventories with our customers. If we fail to deliver products to our customers in a timely manner our business and results of operations may be adversely affected.

27. ***We may not be able to adequately protect or continue to use our intellectual property. In addition, the use of our brands or similar trade names by third parties could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.***

We sell our products internationally through a network of customers. We sell our products under the labels *inter alia* "GSL" and "GLOBALQUARTZ" and "GLOBAL SURFACES". We have applied for registration of the aforesaid trademarks in India and may apply for further registrations in the future. The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.

Further, as on the date of this DRHP, our sales are focused outside India and registration of trademarks under the Trademarks Act, 1999 does not extend any protection outside India. Thus, we are exposed to the risk of unauthorized use or imitation of our logo which may adversely affect sale of our products, resulting in a decrease in market share due to a decrease in demand for our products. Such imitation or spurious products may not only result in loss of sales but also adversely affect our reputation and consequently our future sales and results of operations.

Furthermore, it is possible that we are not aware of misuse of our trademarks, and this could potentially cause loss of our reputation, which could impact our business and may even affect our goodwill. The use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Such an action may also become a lengthy and costly exercise for us and may not always be in our favor.

Further, unauthorized parties may infringe upon or misappropriate our services or proprietary information. While our domain names cannot be copied, we may be unable to renew registration of our domain names and other parties could create an alternative domain name resembling ours that could be passed off as our domain name. In addition, despite our efforts to comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our processes, obtain additional licenses or cease significant portions of our operations. We may also be susceptible to claims from third- parties asserting infringement and other related claims. Regardless of their merits, such claims could materially and adversely affect our relationships with current or future customers, result in costly litigation, delay or disrupt provision of services, divert management's attention and resources, subject us to significant liabilities, require us to enter into royalty or licensing agreements or require us to cease certain activities. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and cash flows.

28. There have been some instances of delayed filing/ incorrect filings in the past with the Registrar of Companies which may attract penalties.

There have been some instances of delayed filing/ incorrect filing, non-filing of prescribed forms in the past with the Registrar of Companies including Form MSME, Form MGT-14, Form PAS-3, Form GNL-2, Form 32 which may attract penalties. For instance, there was an error in the number of shares allotted to the extent of 300 equity shares in Form-2 filed for allotment made on March 30, 1992.

Although, no regulatory action or penalty has been taken/ levied on the Company for such delays/ defaults, however, it cannot be assured that no such regulatory action or penalty will be taken/ levied in the future. Further, we cannot assure you that such non-compliances will not occur in the future. Therefore, if the concerned authorities impose monetary penalties on us or take certain punitive actions against our Company or its directors/ officers in relation to the same, our business and financial condition could be adversely affected.

29. Stringent environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.

Our operations are subject to environmental, health and safety and other regulatory and statutory requirements in the jurisdictions in which we operate. We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India. Non-compliance with these laws and regulations could expose us to civil penalties, criminal sanctions and revocation of key business licenses. Environmental laws and regulations in India are becoming more stringent and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations, financial condition or cash flows. In addition, we could incur substantial costs, our products could be restricted from entering certain markets and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

30. ***Our manufacturing activities are dependent on the delivery of adequate and uninterrupted supply of electrical power at a reasonable cost. Any shortage or any prolonged interruption or increase in the cost of power could adversely affect our business, result of operations, financial conditions and cash flows.***

Adequate and cost effective supply of electrical power is critical to our operations. We have our Units in Jaipur, Rajasthan which depend on the delivery of an adequate supply of electrical power. We also have rooftop PV solar power panels installed at both units. We rely upon diesel generator sets to ensure continuity of operations in case of power outage. There have been no major instances of power failure in the last three years. There can however be no assurance that electricity supplied to our existing Units will be sufficient to meet our requirements or that we will be able to procure adequate and uninterrupted power supply in the future at a reasonable cost. If the per unit cost of electricity is increased by the state electricity board our power cost will increase. An interruption in or limited supply of electricity may result in suspension of our manufacturing operations. A prolonged suspension in production could materially and adversely affect our business, financial condition, results of operations or cash flows.

31. ***We appoint contract labour for carrying out some of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations, cash flows and financial condition.***

We engage independent contractors through whom we engage contract labourers for performance of certain functions at our Units. Further, contractors and contract labourers will also be engaged in the construction of the Proposed Facility. Although we do not engage these labourers directly, we are responsible for any wage and statutory payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial conditions. In addition, we may be liable for or exposed to litigations, sanctions, penalties or losses arising from accidents or damages caused by our workers or contractors.

32. ***Improper storage, processing and handling of raw materials and finished products may cause damage to our inventory leading to an adverse effect on our business, results of operations and cash flows.***

Our inventory primarily consists of raw materials including blocks of stones, grit, powder, pigment, resins and other chemicals, and finished products. Some of our raw materials are susceptible to damage, if they come in contact with the air and water, which may affect the quality of the finished product. In the event such a contamination is detected during quality checks, we may be required to discard the batches resulting in lower capacity utilizations, which could affect our financial condition or results of operations. Also, improper storage may result in higher than usual wastage of inventory due to mishandling, which may also require us to incur additional expenses in replacing or reprocessing that portion of the inventory and/ or incur additional expenses in maintenance and improvement of our storage infrastructure, which may adversely affect our profit margins.

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

While we have experienced significant growth and have expanded our operations over the years, we cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further or at the same rate. The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy includes growing our product portfolio, strengthening our brand, deepening our penetration in existing markets and expanding our presence in select new territories and expanding our manufacturing capacities. For further information, see *"Our Business – Strategies"* on page 171 of this Draft Red Herring Prospectus.

Our ability to sustain growth depends primarily upon our ability to manage key issues such as our ability to sustain existing relationships with our clients, ability to obtain raw materials at better prices, ability to compete effectively, ability to scaling up our operations, adhering to high quality and execution standards, our ability to expand our manufacturing capabilities and our presence in India as well as globally, the effectiveness of our marketing initiatives, selecting and retaining skilled personnel. Sustained growth also puts pressure on our ability to effectively manage and control historical and emerging risks. Our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our business, financial condition, results of operations and prospects. Our success in implementing our growth strategies may be affected by our ability to identify new market opportunities, develop products, increase our existing network of customers and ability to adapt to changes in the Indian or international regulatory environment applicable to us. Many of these factors are beyond our control and there can be no assurance that we will succeed in implementing our strategy. Any change in government policies and regulations including any ban imposed on a particular product by the respective governments, or any duties, pre-conditions or ban imposed by countries from where we source certain raw materials may have an adverse impact on our operations. In addition, there may be delays in the anticipated timing of activities related to such growth initiatives, strategies and operating plans; increased difficulty and cost in implementing these efforts; and the incurrence of other unexpected costs associated with operating the business. Any of these factors could adversely impact our results of operations. If, for any reason, the benefits we realize are less than our estimates or the implementation of these growth initiatives, strategies and operating plans adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our results of operations may be materially adversely affected. Please also see "*Risk Factor No. 5 – If there are delays in setting up the Proposed Facility or if the costs of setting up and the possible time or cost overruns related to the Proposed Facility or the purchase of plant and machinery for the Proposed Facility are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects*." on page 34 of this Draft Red Herring Prospectus.

34. We may be subject to unionization, work stoppages or increased labour costs, which could adversely affect our business and results of operations.

Our industry is labour intensive. The success of our operations depends on availability of labour and maintaining a good relationship with our workforce. As of May 31, 2022, we employed about 350 employees across our Units and registered office. We do not have any trade union registered under the Trade Unions Act, 1926. In the past three years, we have not experienced any labour dispute. We do not have any formal policy for redressal of labour disputes. Although we have not experienced any major interruption to our operations as a result of labour disputes in the recent past, there can be no assurance that we will not experience any such disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations. We may also have to incur additional expense to train and retain skilled labour. We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. Any labour unrest including labour disputes, strikes and lockouts, industrial accidents, experienced by us could directly or indirectly prevent or hinder our normal operating activities and, if not resolved in a timely manner, could lead to disruptions in our operations. In the event of any prolonged delay or disruption of our business, results of operations and financial condition could be materially and adversely affected.

35. ***Our inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations, financial condition and cash flows.***

Our business depends on our estimate of the demand for our products from customers. We estimate demand for our products based on past sales and advance purchase order. If we overestimate demand, we may purchase more raw materials and manufacture more products than required. If we underestimate demand, we may manufacture fewer quantities of products than required, which could result in delayed or non-fulfilment of purchase orders resulting in loss of customers, goodwill and business. In addition, if our products do not achieve widespread acceptance or our customers, change their procurement preferences, we may be required to incur significant inventory markdowns or may not be able to sell the products at all, which would affect our business, results of operations and financial condition. As such, our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, cash flows and financial condition.

36. ***Fluctuations in the average selling prices of natural and engineered stones could adversely affect our business, financial condition, results of operations and cash flows.***

The average selling prices of our products may be subject to fluctuations depending on the market conditions. The average selling prices of our products are affected by the general market conditions, such as pricing by competition and raw material costs, which could have an impact on the businesses of our distributors and, in turn, their demand for our products. While, we have not experienced any material fluctuation in our average selling prices, we cannot assure you that we will not experience declining average selling prices for our products or that our average selling prices can remain at the same level in the future. A decline in the average selling prices for our products could adversely affect our business and financial condition, operating results and cash flows.

37. ***We may be subject to significant risks and hazards when operating and maintaining our Units, for which our insurance coverage might not be adequate.***

As of March 31, 2022, we operate from two Units in India. We generally perform scheduled and unscheduled maintenance and operating and other asset management services. We also sub-contract certain maintenance services to third-parties who may not perform their services adequately. Manufacturing natural stones and engineered quartz involves handling of certain very heavy material which, if not handled properly, can be dangerous. In addition to natural risks such as earthquake, flood, lightning, cyclones and wind, other hazards, such as fire, structural collapse and machinery failure are inherent risks in our operations. They can cause significant personal injury or loss of life, severe damage to and destruction of property, plant and equipment and may result in the suspension of operations. The occurrence of any one of these events may result in our being named as a defendant in lawsuits asserting claims for substantial damages, including for cleanup costs, personal injury and property damage and fines and/ or penalties.

We maintain an amount of insurance protection that we consider adequate including insurance policy covering fire, damage to buildings, plant and machinery, stocks (raw materials and finished goods), vehicles and policy covering damage to finished goods in transit. We may not have identified every risk and further may not be insured against every risk because such risks are either uninsurable or not insurable on commercially acceptable terms, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies such as COVID-19 and other pandemics, or due to the same being inadequate, could materially harm our cash flows, financial condition and future results of operations. However, we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. Our total insurance cover for property, plant and equipment, and inventory, as of March 31, 2021 and March 31, 2022 was ₹ 759.02 Million and ₹ 715.12 Million respectively, which was 96.63% and 83.71%, respectively of our net block of property, plant and equipment, and inventory. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or which exceeds our insurance coverage, or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further information on our insurance arrangements, see *"Our Business – Insurance"* beginning on page 187 of this Draft Red Herring Prospectus.

38. We are dependent on our Promoter, Directors and a number of key managerial personnel and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations, financial condition and cash flows.

We are dependent on our Promoter, Directors and key managerial personnel for setting our strategic business direction and managing our business. Our Promoter, being Managing Director of our Company and several of our key managerial personnel have extensive experience in the natural and engineered stones sector. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. The attrition rate in respect of our employees was 12.56%, 9.19% and 12.13% and in respect of labour was 30.62%,19.97% and 29.21% for the Fiscals 2020, 2021 and 2022, respectively. We may experience similar attrition rates in the future. A significant increase in the attrition rate among skilled employees could decrease our operating efficiency and productivity and could lead to a decline in the profitability of our Company. Competition for qualified technical personnel and operators is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impacted.

We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining suitable employees. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

39. An inability to renew quality accreditations in a timely manner or at all, or any deficiencies in the quality of our products may give rise to product liability claims and negatively affect our business prospects and financial performance.

We obtain and maintain quality certifications and accreditations from independent certification entities and also comply with prescribed specifications and standards of quality approved by certification issuing agencies. If we fail to comply with applicable quality standards or if we are otherwise unable to obtain such quality accreditations in the future in a timely manner or at all, our business prospects and financial performance may be negatively affected.

Further, if our products are alleged or found to be defective, we may be subject to product liability claims. There could be instances in which our products do not meet the specifications. We have, at some times, encountered certain claims with respect to the quality of our products and we may be subject to product liability claims and litigation for compensation in the future also which could result in substantial and unexpected expenditure and could materially affect our cash flow and operating results. Further, there can be no assurance that we will be able to successfully defend such claims. If any such claims against us are ultimately successful, we could be required to pay substantial damages, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

40. ***Some of our records are not traceable.***

In the past, certain old statutory records and registers required to be maintained by our Company under the Companies Act, 1956 and Companies Act, 2013 could not be traced despite conducting searches of our internal records. Consequently, an Information Report has been filed by the Company with Cyber Crime Police Station, Jaipur with regard to the missing documents on December 15, 2021.

Further, we may not have maintained all the statutory records in the proper manner or at all, in the past. While no legal proceedings or regulatory action has been initiated against our Company in relation to such statutory records as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future. Although no regulatory action/ litigation is pending against us in this regard, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect.

41. ***The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.***

The World Health Organization declared the novel coronavirus disease ("**COVID-19**") outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn continue to have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth.

Additionally, we cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on any of these parties could in turn have an adverse impact on us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Our existing insurance coverage may not provide protection or coverage for any costs that may arise from all such possible events.

The COVID-19 pandemic may cause us to continue to experience the foregoing challenges in our business in the future and could have other effects on our business, including disrupting our ability to develop new offerings enhance existing offerings, market, and sell our products and conduct business activities generally.

The extent to which the COVID-19 pandemic may impact our business and results of operations will also depend on future developments that are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the disease, the duration and spread of the outbreak, the scope of travel restrictions imposed in geographic areas in which we operate, mandatory or voluntary business closures, the impact on businesses and financial and capital markets and the extent and effectiveness of the development and distribution of vaccines and other actions taken throughout the world to contain the virus or treat its impact. An extended period of global supply chain and economic disruption as a result of the COVID-19 pandemic could have a material negative impact on our business, financial condition, and results of operations.

42. Our Company's name has been wrongly used in the past.

Our Company was incorporated with the name 'Swastic Niwas Private Limited' which was changed in 2004 to 'Global Stones Private Limited' in light of the change in the business of the Company. However, our previous name has been interchangeably used as "Swastik Niwas Private Limited" in various official records and documents. Although, there has been no instance of objection or action from any third-party or regulatory authority, no assurance can be given that there will be no legal implications for such use of name by the Company in the past. If any third-party raises any objection or any concerned authorities takes any action against our Company, the operations of our Company may be impacted.

43. Restrictions on import of raw materials may adversely impact our business and results of operations.

We currently import a minor portion of our raw materials. Raw material imports are regulated by certain specific laws and regulations that permit concerned authorities to stop any import if it is deemed that the goods proposed to be imported may be hazardous. While the raw materials we import may not be hazardous in nature, we cannot assure you that such regulations will not be made applicable to us or that such regulations will not evolve into more stringent regulations, which would place onerous requirements on us and consequently restrict our ability to import raw materials. While we have not in the recent past experienced any challenges in importing such materials, we cannot assure you that we will not experience any such challenges in the future. In light of the COVID-19 pandemic and the current war scenario in Eastern Europe, the import of raw materials could be affected in the future. In the event we are unable to import these materials, there can be no assurance that we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner or at all. Any change in law or applicable governmental policies relating to imports, change in international geo-political situations, restriction on import of raw materials could have an adverse effect on our ability to deliver products to our distributors, business and results of operations.

44. Any downgrading of our credit rating by a domestic or international credit rating agency may increase interest rates for our future borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.

Acuite Ratings & Research Limited has on March 31, 2022 assigned ACUITE A-; Outlook: Stable rating for the long-term bank facilities and ACUITE A2+ rating for the short-term bank facilities of our Company.

Our credit rating may be downgraded in the future due to various factors, including factors which may be beyond our control. Any future downgrade of our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

45. Uncertainty regarding the infrastructure industry, housing and other real estate market, economic conditions and other factors beyond our control could adversely affect demand for our products and services, our costs of doing business and our financial performance.

Our financial performance depends significantly on the stability of the real estate, infrastructure and other related industries, as well as general economic conditions, including changes in gross domestic product. Adverse conditions in or uncertainty about these markets or the economy could adversely impact our end-customers' confidence or financial condition, causing them to determine not to invest in real estate or delay purchasing or payment for real estate. The state of the credit markets, including mortgages and consumer credit and other conditions beyond our control, could further adversely affect demand for our products, our costs of doing business and our financial performance. Any slowdown in these industries and economy is a major risk for the natural and engineered stones industry.

46. ***The industry segment in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.***

We compete in natural and engineered stone industry on the basis of the quality of our products, price, and distribution. The industry in which we operate is highly competitive. Factors affecting our competitive success include, amongst other things, price, demand for our products, availability of raw materials, brand recognition and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the global natural and engineered stone industry as compared with us. Competitive conditions may cause us to incur lower net selling prices and reduce gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability. Also, see *"Business - Competition"* on page 187 of this DRHP.

47. ***We have in this Draft Red Herring Prospectus included certain Non-GAAP Measures and certain other industry measures related to our operations and financial performance. These Non-GAAP Measures and industry measures may vary from any standard methodology that is applicable across the natural and engineered stone industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

Certain Non-GAAP Measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian natural and engineered stones companies, many of which provide such Non-GAAP Measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus.

These Non-GAAP Measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and are not measures of operating performance or liquidity defined by generally accepted accounting principles, and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other manufacturing companies.

48. ***Our Promoter will continue to retain majority shareholding in the Company after the Offer, which will allow him to exercise significant influence over us and potentially create conflicts of interest.***

As on date of this Draft Red Herring Prospectus, our Promoter hold approximately 73.55% of the pre- Offer paid-up Equity Share capital of our Company and will continue to hold [●]% of the post- Offer paid-up Equity Share capital of our Company. Accordingly, our Promoter will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoter as our controlling shareholder could conflict with our interests or the interests of our other shareholders. in which event, we cannot assure you that the Promoter will act to resolve any conflicts of interest in our favour or the interests of our other shareholders.

49. ***Any failure or disruption of our information technology systems could adversely impact our business and operations.***

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. For instance, we have implemented an accounting software across our offices and Units, to handle manufacturing, sales, purchase, inventory and financial reporting. The complexity of our computer systems may make us potentially vulnerable to breakdown, malicious intrusion and computer viruses. Our Company does not have any formal data security policy. While we have not experienced any disruptions to our information technology systems in the past or breach in Company's database in last three years, we cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons.

50. ***Changes in technology may affect our business by making our Units or equipment less competitive.***

Our profitability and competitiveness are to a certain extent dependent on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology may make newer generation manufacturing equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our Units. Our inability to continue to invest in new and more advanced technologies and equipment, may result in our inability to respond to emerging industry standards and practices in a cost-effective and timely manner that is competitive with other natural and engineered stone manufacturing companies and other methods of manufacturing. The development and implementation of such technology entails technical and business risks. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to emerging industry standards. If we are unable to adapt in a timely manner to changing market conditions or technological changes, our business and financial performance could be adversely affected.

51. ***Our Company will not receive any proceeds from the Offer for Sale portion, and the Selling Shareholders shall be entitled to the Offer Proceeds to the extent of the Equity Shares offered by them in the Offer for Sale. Our Promoter are therefore interested in the Offer in connection with the Equity Shares offered by them in the Offer for Sale.***

The Offer includes an offer for sale of such number of Equity Shares aggregating up to 2,550,000 by the Selling Shareholders, which includes the Promoter and member of the Promoter Group of our Company. The Promoter and member of the Promoter Group are, therefore, interested in the Offer Proceeds to the extent of the Equity Shares offered by them in the Offer for Sale. The entire proceeds (net of offer expenses) from the Offer for Sale will be paid to the Selling Shareholders in proportion to their respective portions of the Offered Shares transferred pursuant to the Offer for Sale, and our Company will not receive any such proceeds. Further, except for listing fees of the Offer, which will be borne by our Company, all cost, fees and expenses (including all applicable taxes) in respect of the Offer will be shared amongst our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale, upon successful completion of the Offer. See "Capital Structure" and "Objects of the Offer" on pages 85 and 110, respectively of this Draft Red Herring Prospectus.

52. We may undertake strategic acquisitions or investments, which may prove to be difficult to integrate and manage or may not be successful.

In the future, we may consider making strategic acquisitions of other natural and engineered stones manufacturing companies or other companies whose resources, capabilities and strategies are complementary to and are likely to increase our product portfolio and expand our distribution network. We may also enter into strategic alliances or joint ventures to explore such opportunities or make significant investments in entities that we do not control to capitalize on such business opportunities and there can be no assurance that such strategic alliances, joint ventures or investments will be successful.

It is also possible that we may not identify suitable acquisition or investment candidates or that if we do identify suitable candidates, we may not complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable acquisition targets or investments or the inability to complete such transactions may adversely affect our competitiveness or our growth prospects.

If we acquire another company, we could face difficulty in integrating the acquired operations. In addition, the key personnel of the acquired company may decide not to work for us. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. There can be no assurance that we will be able to achieve the strategic purpose of such acquisition or operational integration or our targeted return on investment.

53. We have issued Equity Shares at prices that may be lower than the Offer Price in the last 12 months.

We have issued and allotted 14,512,208 equity shares, at prices which may be lower than the Offer Price. For further details, please see *"Capital Structure – Notes to the Capital Structure – Equity Share capital history of our Company"* beginning on page 86 of this Draft Red Herring Prospectus.

54. Our Promoter has provided personal guarantee for loans availed by us. In the event of default of the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoter's ability to manage the affairs of our Company and our Company's profitability and consequently this may impact our business, prospects, financial condition and results of operations.

Our Company has availed loans in business. Our Promoter has provided personal guarantee in relation to certain loans availed by our Company, for details please see *"Financial Indebtedness"* on page 306. In the event of default in repayment of the loans by the Company, the personal guarantee extended by our Promoter may be invoked by our lenders thereby adversely affecting our Promoter's ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations.

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

We have availed the services of an independent third-party research agency, CARE Advisory Research and Training Limited, to prepare an industry report titled "Report on Natural and Engineered Stone Industry" dated May 2022, for purposes of inclusion of such information in this Draft Red Herring Prospectus. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. We have taken reasonable care in the reproduction of the information. Further, there is no assurance that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from such third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

56. ***If we are subject to any frauds, theft, or embezzlement by our employees, suppliers or customers, it could adversely affect our reputation, results of operations, financial condition and cash flows.***

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employees/ supplier/ customer fraud, theft, or embezzlement. Although we have set up various security measures in our office premises and Units such as deployment of security guards and operational processes such as periodic stock taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition and cash flows.

57. ***We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

We have foreign currency receivables and payables for sale of our products and supply of certain raw materials and equipment and are therefore, exposed to foreign exchange risk between the Indian Rupee and U.S. Dollars and other foreign currencies, if applicable. However, we have adopting foreign exchange risk mitigation measures like forward exchange contract, there can be no assurance that we will be able to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against other relevant foreign currencies. Any significant fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations. Any appreciation of foreign currencies against the Indian Rupee may result in reduction of our margins and consequently have an adverse effect on business and result of operations.

58. ***Our Promoter, also being the Managing Director, and some other Directors and Key Managerial Personnel of our Company, hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoter, also being the Managing Director, and some other Directors and Key Managerial Personnel of our Company, are interested in our Company, in addition to their remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. Our Promoter, Directors and KMPs shall abide by the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and protect the interests of the Company. However, in case of any conflict of interest our Promoter, Directors and KMPs shall keep the interests of our Company first over their personal interest, we cannot assure you that they will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter, Directors and KMPs may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoter, Directors and KMPs of our Company, other than reimbursement of expenses incurred or remuneration or benefits, please see the chapters titles *"Our Management"* and *"Our Promoter and Promoter Group"* beginning on pages 204 and 223, respectively, of this Draft Red Herring Prospectus.

59. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

We have not declared dividend in the past. For further information, see *"Dividend Policy"* on page 231 of this Draft Red Herring Prospectus. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board in accordance with the dividend distribution policy as may be adopted by our Board from time to time and will depend on factors that our Board deems relevant, including among others, our Company's profitability, capital requirements, financial commitments and requirements, including business and expansions plans, applicable legal restrictions and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

RISKS RELATING TO INDIA

60. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments. The full scale military invasion of Russia into Ukraine and the subsequent sanctions placed on Russia by various countries has substantially affected the economic stability of the world and such volatility could impact the Company's growth.

In addition, the USA is one of India's major trading partners and any possible slowdown in the American economy as well as a strained relationship with India could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, results of operation, and cash flows. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, results of operations, and cash flows, and reduce the price of the Equity Shares.

61. The occurrence of natural or man-made disasters or outbreak of global pandemics, such as the COVID-19 pandemic, 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, infectious disease outbreaks such as the COVID-19 pandemic 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, including the ongoing conflict between Russia and Ukraine following Russia's full-scale military invasion of Ukraine in February 2022, volatility in interest rates, volatility in commodity and energy prices, an increase in oil prices, a loss of investor confidence in other emerging market economies and other political and economic development 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.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, results of operations, and cash flows, and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various 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, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely 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.

63. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Financial Statements as at and for the financial year ended March 31, 2022 have been derived from our consolidated audited financial statements as at and for the financial year ended March 31, 2022 prepared in accordance with Ind AS. Our Restated Financial Statements as at and for the financial year ended March 31, 2021 and March 31, 2020 have been derived from our consolidated audited financial statements as at and for the year ended March 31, 2021 and standalone audited financial statements as at and for the years ended March 31, 2020 prepared in accordance with Accounting Standards and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our Restated Financial Statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our Restated Financial Statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

64. If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.

Any change in Indian tax laws could have an effect on our operations. Any future amendments may affect our benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax, past claims of central excise, state VAT, and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017. For further information on litigations arising out of such claims, see *"Outstanding Litigation and Other Material Developments"* beginning on page 308 of this Draft Red Herring Prospectus.

Further, the Government of India has announced the union budget for Fiscal 2023, pursuant to which the Finance Act, 2022 ("**Finance Act**"), wherein a few sections have become effective from April 01, 2022 and the remaining shall come into force as and when may be notified by the Central Government, has introduced various amendments. As such, there is no certainty on the impact that the Finance Act, 2022 may have on our business and operations or on the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

65. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect 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 restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions or at all.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see *"Restrictions on Foreign Ownership of Indian Securities"* on page 359 of this Draft Red Herring Prospectus.

66. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable termsor at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

67. Adverse political conditions such as increased tensions between India and USA, could adversely affect our business, results of operations, financial condition and cash flows.

Adverse political conditions such as increased tensions between India and USA resulting in any conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and affect our ability to procure raw materials required for our manufacturing operations. We could also be affected by the introduction of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries.

68. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Manager or any of their directors and executive officers in India respectively, except by way of a law suit in India.

We are incorporated under the laws of India and all our Directors and Key Managerial Personnel reside in India. All our assets are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 (the "**CPC**").

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13, 14 and Section 44A of the CPC on a statutory basis. Section 44A of the CPC provides that where a certified copy of a decree of any superior court, within the meaning of that Section, obtained in any country or territory outside India which the government has by notification declared to be in a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the CPC is applicable only to monetary decrees and does not apply to decrees for amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment).

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the CPC, and not by proceedings in execution. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except:

(i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

It cannot be assured that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment.

69. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

70. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

RISKS RELATING TO THE OFFER AND THE EQUITY SHARES

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

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

72. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

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

73. Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us (including under an employee benefit scheme) or disposal of our Equity Shares by the Promoter or any of our other principal shareholders or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India or any public perception regarding such issuance or sales 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 our Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that our existing shareholders including our Promoter will not dispose of further Equity Shares after the completion of the Offer (subject to provisions of the applicable laws) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

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

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification) and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognised stock exchange and on which no STT has been paid, are subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹ 100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Unrealized capital gains earned on listed equity shares up to January 31, 2018 continue to be tax exempt in such cases. Further, STT will be levied on and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off-market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹ 100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax at a higher rate of 40% (plus applicable surcharge and cess) in the case of foreign companies and 30% (plus applicable surcharge and cess) in the case of other non-resident taxpayers.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company's business and operations.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Additionally, the Finance Act, 2020 does not require dividend distribution tax to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Historically, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

76. The requirements of being a publicly listed company may strain our resources.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, 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 promptly as other listed companies. Further, as a publicly 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. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

77. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, 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 Offer Price or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book building process. This price will be based on numerous factors, as described in the section *"Basis for Offer Price"* beginning on page 123 of this DRHP. This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer 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 Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

78. Future sales of Equity Shares by our Promoter may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoter will own, directly, more than [●]% of our outstanding Equity Shares. Upon expiry of the lock-in period provided under the SEBI ICDR Regulations, our Promoter will be eligible to sell part or all of the Equity Shares held by it. Future sales of a large number of the Equity Shares by our Promoter, either in one sale or over a series of sales, 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 may be given that our Promoter will not dispose of, pledge or encumber their Equity Shares in the future, or that the market price of the Equity Shares will not be adversely affected by any such disposal, pledge or encumbrance of their Equity Shares.

79. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid amount) at any stage after submitting a bid, and Retail Individual Investors are not permitted to withdraw their Bids after bid/offer closing date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid amount) at any stage after submitting a Bid. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the bid/ offer period and until the Bid/ offer closing date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the Investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer of Equity Shares(1)(2)	Upto 11,070,000 Equity Shares aggregating to ₹ [●] Million
of which:	
(i) Fresh Issue(1)	Upto 8,520,000 Equity Shares aggregating to ₹ [●] Million
(ii) Offer for Sale(2)	Upto 2,550,000 Equity Shares aggregating to ₹ [●] Million by the Selling Shareholders
The Offer consists of:	
A) QIB Portion(3)(4)	Not more than [●] Equity Shares
of which:	
Anchor Investor Portion	Upto [●] Equity Shares
Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)(3)	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion(3)	Not less than [●] Equity Shares
C) Retail Portion(3)	Not less than [●] Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	33,861,818 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Proceeds	See *"Objects of the Offer"* beginning on page 110 of this Draft Red Herring Prospectus for details regarding the use of proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Fresh Issue has been authorised by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated March 26, 2022 and April 25, 2022 respectively.

(2) The Selling Shareholders have confirmed and approved their participation in the Offer for Sale as set out below:

Sr. No.	Selling Shareholder	Maximum Shares offered in the Offer for Sale	Date of Board Resolution	Date of consent letter
1.	Mr. Mayank Shah	1,400,000	March 26, 2022	March 24, 2022
2.	Mrs. Sweta Shah	1,150,000	March 26, 2022	March 24, 2022

(3) Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in

any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, subject to receipt of minimum subscription for 90% of the Fresh Issue, compliance with Rule 19(2)(b) of the SCRR and allotment of not more than 50% of the Net Offer to QIBs, Equity Shares shall be allocated in the manner specified in the section "Terms of the Offer" beginning on page 329 of this DRHP.

Allocation to all categories, except Anchor Investors and Retail Individual Bidders shall be made on a proportionate basis. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

(4) Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" beginning on page 338.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids having being received at or above the Offer Price, as applicable. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, may be allocated on a proportionate basis. For further details, please see *"Offer Procedure"* on page 338 of this Draft Red Herring Prospectus.

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Statements. The Restated Financial Statements has been prepared, based on financial statements as at Fiscals 2022, 2021 and 2020. The Restated Financial Statements have been prepared in accordance with Ind AS and the Companies Act 2013, restated in accordance with the SEBI ICDR Regulations and are presented in the section entitled "Financial Information" on page 232.

The summary financial information presented below should be read in conjunction with the chapters titled "Restated Financial Statement" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 232 and 289 respectively.

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Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure I - Restated Consolidated Statement of Assets and Liabilities
(All amounts in INR millions, unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
ASSETS				
Non-current assets				
Property, plant and equipment	3	385.12	439.02	507.39
Capital work-in-progress	4	70.75	12.93	-
Right-of-use assets	5	496.48	94.57	91.89
Investment properties	6	-	0.39	0.41
Intangible assets	7	0.41	1.08	1.08
Financial assets				
i. Loans	8	19.93	20.87	17.56
ii. Other financial assets	9	18.43	13.15	9.09
Income tax assets (net)		1.45	1.70	0.25
Deferred tax assets (net)	10	180.35	120.97	65.97
Other non-current assets	11	29.92	8.52	4.05
Total non-current assets		**1,202.84**	**713.20**	**697.69**
Current assets				
Inventories	12	469.14	346.49	236.18
Financial assets				
i. Investments	13	106.63	-	-
ii. Trade receivables	14	389.78	398.01	280.68
iii. Cash and cash equivalents	15	20.34	54.44	5.77
iv. Bank balances other than (iii) above	16	5.93	10.71	7.58
v. Loans	17	92.31	1.44	2.82
vi. Other financial assets	18	6.39	1.57	2.82
Other current assets	19	71.46	64.11	53.75
Total current assets		**1,161.98**	**876.77**	**589.60**
Total assets		**2,364.82**	**1,589.97**	**1,287.29**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	20(a)	338.62	64.50	64.50
Other equity				
Reserves and surplus	20(b)	1,001.72	919.84	580.34
Total equity attributable to the owners of the Company		**1,340.34**	**984.34**	**644.84**
Non-controlling interests		0.00	0.00	-
Total equity		**1,340.35**	**984.34**	**644.84**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	21	107.93	64.58	137.64
ii. Lease liabilities	22	421.50	6.67	2.40
Provisions	23	3.83	5.52	2.55
Total non-current liabilities		**533.26**	**76.77**	**142.59**
Current liabilities				
Financial liabilities				
i. Borrowings	24	264.89	310.02	397.23
ii. Trade payables				
a) Total outstanding dues of micro and small enterprise	25	1.46	7.38	7.89
b) Total outstanding dues of creditors other than (ii)(a) above		186.03	157.60	70.77
iii. Other financial liabilities	26	16.16	15.81	10.29
Provisions	27	0.42	2.23	1.67
Current tax liabilities	28	10.16	27.90	6.64
Other current liabilities	29	12.09	7.92	5.37
Total current liabilities		**491.21**	**528.86**	**499.86**
Total liabilities		**1,024.47**	**605.63**	**642.45**
Total equity and liabilities		**2,364.82**	**1,589.97**	**1,287.29**

The above restated consolidated balance sheet should be read in conjunction with accompanying notes.

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Date: June 17, 2022
Place: Jaipur

For and on behalf of the Board of Directors

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure II - Restated Consolidated Statement of Profit and Loss
(All amounts in INR millions, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Income				
Revenue from operations	30	1,903.13	1,753.71	1,632.91
Other income	31	80.44	36.33	24.89
Total income		**1,983.57**	**1,790.04**	**1,657.80**
Expenses				
Cost of materials consumed	32	986.17	793.53	713.92
Purchases of Stock-in-Trade	33	-	-	1.81
Changes in inventories of finished goods and work- in-progress	34	(119.32)	(74.45)	(3.69)
Employee benefit expenses	35	149.30	122.69	103.79
Depreciation and amortisation expense	36	107.79	130.13	168.61
Finance costs	37	29.63	34.10	52.23
Other expenses	38	468.94	438.74	413.92
Total expenses		**1,622.51**	**1,444.74**	**1,450.59**
Profit before tax		**361.06**	**345.30**	**207.21**
Income tax expense				
- Current tax	39	64.79	61.07	36.90
- Deferred tax		(60.07)	(55.09)	(39.33)
Total tax expense		**4.72**	**5.98**	**(2.43)**
Profit for the Year		**356.34**	**339.32**	**209.64**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	44	1.03	0.29	(1.79)
Income tax relating to above	39	(0.29)	(0.08)	0.50
Items that will be reclassified to profit or loss				
Exchange difference on translation of foreign operation		0.18	(0.03)	-
Income tax relating to above		-	-	-
Other comprehensive income/ (loss) for the year, net of tax		0.92	0.18	(1.29)
Total comprehensive income for the Year		**357.26**	**339.50**	**208.35**
Profit is attributable to :				
Owners of the Company		356.34	339.32	209.64
Non controlling interests		0.00	0.00	-
		356.34	**339.32**	**209.64**
Other comprehensive income/ (loss) is attributable to :				
Owners of the Company		0.92	0.18	(1.29)
Non controlling interests		-	-	-
		0.92	**0.18**	**(1.29)**
Total comprehensive income is attributable to :				
Owners of the Company		357.26	339.50	208.35
Non controlling interests		0.00	0.00	-
		357.26	**339.50**	**208.35**
Earnings per equity share attributable to the owner of parent (in INR)				
Basic earnings per share	46	10.52	10.02	6.19
Diluted earnings per share	46	10.52	10.02	6.19

The above restated consolidated statement of profit and loss should be read in conjunction with accompanying notes.

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Date: June 17, 2022
Place: Jaipur

For and on behalf of the Board of Directors

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts in INR millions, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flows from operating activities			
Profit before tax	361.06	345.30	207.21
Adjustments for :			
Depreciation and amortisation	107.79	130.13	168.61
Interest and other finance costs	29.63	34.10	52.23
Provision/ (reversal) for Expected credit loss	1.71	(1.14)	2.22
Bad debts	-	6.64	3.94
Interest income	(5.58)	(2.02)	(1.13)
Gain on sale and revaluation of Mutual Funds	(3.13)	(0.91)	(0.89)
Unrealised (gain)/loss	2.29	(13.22)	16.62
Net loss/(gain) on disposal of property, plant and equipment	(20.86)	(0.29)	0.56
Operating profit before working capital changes	**472.91**	**498.59**	**449.37**
Changes in working capital:			
Decrease/Increase in provisions	(2.47)	3.83	0.94
Decrease/Increase in trade payables	22.64	86.59	(76.55)
(Decrease)/increase in other current financial and non financial liabilities	4.43	12.79	(13.28)
(Increase)/ decrease in other financial and non-financial assets	(17.32)	(13.17)	1.86
Decrease/(increase) in inventories	(122.65)	(110.31)	30.80
Decrease/Increase in trade receivables	6.23	(115.61)	180.24
Cash generated from operations	**363.77**	**362.71**	**573.38**
Taxes paid (net of refunds)	(81.87)	(41.27)	(36.50)
Net cash inflow from operating activities	**281.90**	**321.44**	**536.88**
B. Cash flows from investing activities			
Loan recovered/(given) during the year	(89.94)	(1.92)	(17.43)
Payments for property, plant and equipment and intangible assets	(121.07)	(77.97)	(101.62)
Proceeds from disposal of property, plant and equipment	22.78	0.46	3.87
Purchase of investments	(103.50)	-	-
Proceeds of investments	-	0.91	0.89
Bank deposits matured/(placed) (having original maturity of more than 3 months)	4.78	(3.13)	7.93
Interest received	5.58	2.02	1.13
Net cash (outflow) in investing activities	**(281.37)**	**(79.63)**	**(105.23)**
C. Cash flows from financing activities			
Share issue expenses	(1.26)	-	-
Proceeds/(repayment) of borrowings	(3.85)	(154.55)	(406.23)
Repayment of lease liabilities	(0.00)	(0.00)	(0.00)
Interest and other finance costs paid	(29.52)	(38.59)	(50.58)
Net cash inflow/(outflow) in financing activities	**(34.63)**	**(193.14)**	**(456.81)**
Net increase in cash and cash equivalents (A+B+C)	**(34.10)**	**48.67**	**(25.16)**
Cash and cash equivalents at the beginning of the year	54.44	5.77	30.93
Cash and cash equivalents at the end of the year	**20.34**	**54.44**	**5.77**

* Amount is below the rounding off norm adopted by the Group.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts in INR millions, unless otherwise stated)

Reconciliation of cash and cash equivalents as per the restated consolidated statement of cash flow
Cash and cash equivalents comprise of the following (refer note 15):

Balances with banks			
In current accounts	18.18	46.26	5.62
Funds In transit	-	7.91	-
Cash on hand	2.16	0.27	0.15
Cash and cash equivalents at the end of the year	**20.34**	**54.44**	**5.77**

Net debt reconciliation:

Particulars	Year ended March 31 2022	Year ended March 31 2021	Year ended March 31 2020
Borrowings (including interest accrued)	372.89	374.95	539.97
Net Debt	**372.89**	**374.95**	**539.97**

Particulars	Year ended March 31 2022	Year ended March 31 2021	Year ended March 31 2020
Opening Balance	**374.95**	**539.97**	**913.24**
Proceeds/(repayment) of borrowings	(3.85)	(154.55)	(406.23)
Interest expense recorded in profit and loss	29.63	34.10	52.23
Interest paid in cash	(29.52)	(38.59)	(50.58)
Unrealized foreign exchange	2.08	(5.73)	31.31
Interest accrued on lease liabilities	(0.40)	(0.25)	-
Closing Balance	**372.89**	**374.95**	**539.97**
			-

Notes:

1. The Statement of cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2. Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and creditors for capital goods) during the year.

The above restated consolidated statement of cash flows should be read in conjunction with accompanying notes.

This is the restated consolidated statement of cash flows referred to in our report of even date

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

For and on behalf of the Board of Directors

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

Date: June 17, 2022
Place: Jaipur

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

GENERAL INFORMATION

Our Company was incorporated under the provisions of the Companies Act, 1956 as "Swastic Niwas Private Limited" on August 23, 1991, as a private limited company vide Certificate of Incorporation issued by Registrar of Companies, West Bengal. Subsequently, the name of our Company was changed to "Global Stones Private Limited" pursuant to Special Resolution passed by the shareholders of our Company at their Extra-Ordinary General Meeting held on May 17, 2004 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, West Bengal on May 28, 2004. Subsequently, the name of our Company was changed to "Global Surfaces Private Limited" pursuant to a Special Resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 07, 2021 and a fresh Certificate of Incorporation dated October 20, 2021 was issued by the Registrar of companies, Jaipur. Thereafter, our Company was converted into a public limited company and the name was changed to "Global Surfaces Limited" pursuant to Special Resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 07, 2021 and a fresh Certificate of Incorporation dated October 21, 2021 was issued by the Registrar of Companies, Jaipur. In the year 2021, the registered office of our Company has been shifted from Kolkata, West Bengal to Jaipur, Rajasthan pursuant to Certificate of Registration of Regional Director order for Change of State dated January 15, 2021.

For details of changes in registered offices of our Company, please refer to the section titled *"History and Certain Corporate Matters"* beginning on page 196 of this Draft Red Herring Prospectus.

Brief Information about the Company and the Offer	
Registered Office & Unit II	Plot No. PA-10-006 Engineering and Related Industries SEZ, Mahindra World City Tehsil-Sanganer Jaipur-302037, Rajasthan. Telephone: 0141-7191000 Website: www.globalsurfaces.in Email id: info@globalsurfaces.in
Unit I	E-40 to G-47, RIICO Industrial Area, Bagru Extn. Bagru-303007, Jaipur, Rajasthan Telephone: 0141-2984024
Date of Incorporation	August 23, 1991
Company Registration No.	073860
Company Identification No.	U14100RJ1991PLC073860
Company Category	Company Limited by Shares
Company Sub Category	Indian Non-Government Company
Address of Registrar of Companies	C/6-7, 1st Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan. Phone: 0141-2981913/ 2981914/ 2981915/ 2981917 Fax: 0141-2981916 Email id: roc.jaipur@mca.gov.in
Designated Stock Exchange	National Stock Exchange of India Limited
Offer Programme	Offer Opens on: [●] Offer Closes on: [●]
Company Secretary & Compliance Officer	Mr. Aseem Sehgal c/o Global Surfaces Limited Plot No. PA-10-006 Engineering and Related Industries Sez, Mahindra World City Tehsil-Sanganer Jaipur-302037, Rajasthan. Telephone: 0141-7191000 Website: www.globalsurfaces.in Email id: cs@globalsurfaces.in
Chief Financial Officer	Mr. Rajesh Gattani c/o Global Surfaces Limited Plot No. PA-10-006 Engineering and Related Industries Sez, Mahindra

	World City Tehsil-Sanganer Jaipur-302037, Rajasthan. Telephone: 0141-7191000 Website: www.globalsurfaces.in Email id: cfo@globalsurfaces.in

Board of Directors

Our Company's Board comprises of the following Directors:

Name, Nature of Directorship and DIN	Age	Residential Address
Mayank Shah Managing Director DIN: 01850199	44 years	Flat No.706/806, Askhat Nilay, 3 Group Housing Scheme, Hawa Sadak, Civil Line, Jaipur-302006, Rajasthan
Sweta Shah Executive Director DIN: 06883764	45 years	Flat No.706/806, Askhat Nilay, 3 Group Housing Scheme, Hawa Sadak, Civil Line, Jaipur-302006, Rajasthan
Ashish Kumar Kachawa Non-Executive Director DIN: 02530233	43 years	B-82/201, Golden Rama Cottage, Raman Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004, Rajasthan
Dinesh Kumar Govil Non-executive Independent Director DIN: 02402409	74 years	501, Royal Paradise Krishna, A-39, Vidyalaya Marg, Tilak Nagar, Jaipur-302004
Yashwant Kumar Sharma Non-executive Independent Director DIN: 08686725	68 years	Flat No. C-33 Plot No. 17, ECIL CGHS Limited, Aishwaryam Apartment, Sec-4, Dwarka, South West Delhi, Delhi – 110 078
Sudhir Baxi Non-executive Independent Director DIN: 00092322	69 years	Baxi House, Ganesh Ghati, Shastri Circle, Udaipur – 313 001, Rajasthan

For further details of the Board of Directors, please refer to the section titled "*Our Management*" beginning on page 204 of this Draft Red Herring Prospectus.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS OFFER AND OUR COMPANY

Book Running Lead Manager	Registrar to the Offer
Unistone Capital Private Limited A/ 305, Dynasty Business Park, Andheri-Kurla Road, Andheri East, Mumbai – 400 059 Telephone: +91 9820057533 Email: mb@unistonecapital.com Investor grievance email: compliance@unistonecapital.com Contact Person: Mr. Brijesh Parekh Website: www.unistonecapital.com SEBI Registration number: INM000012449 CIN: U65999MH2019PTC330850	**Bigshare Services Private Limited** Address: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India. Telephone: 022-62638200 Facsimile: 022 62638299 Email: ipo@bigshareonline.com Investor grievance email: investor@bigshareonline.com Contact Person: Mr. Jibu John Website: www.bigshareonline.com SEBI Registration Number: INR000001385 CIN: U99999MH1994PTC076534

Legal Advisor to the Offer	Statutory & Peer Reviewed Auditors
M/s. Alliance Law Address: 801, 8th Floor, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai – 400 021. Telephone: +91 22-2204 0822/23/24 E-mail: info@alliancelaw.in	**B Khosla & Co.** Address: 104-107, Anukampa II M.I Road, Jaipur – 302 001, Rajasthan Telephone: +91 9828158995 E-mail: sandeep@bkhosla.com Contact Person: Mr. Sandeep Mundra Firm Registration No.: 000205C Peer Review Number: 011788
Share Escrow Agent	**Public Offer Bank/ Banker to the Offer/ Refund Banker**
[●] Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●] SEBI Cert Registration No: [●] CIN No.: [●]	**[●]** Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●] SEBI Cert Registration No: [●] CIN No.: [●]
Syndicate Member	**Banker to our Company**
[●] Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●] SEBI Cert Registration No: [●] CIN No.: [●]	**Punjab National Bank** Address: Large Corporate Branch, Chamber Bhawan, M.I. Road, Jaipur - 302003 Telephone: 0141-2565969 Fax: 0141 - 2570624 E-mail: bo0221@pnb.co.in Website: www.pnbindia.in Contact Person: Ms. Minakshi Kathpal
Sponsor Bank	
[●] Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●]	

Changes in Auditors during last three Financial Years

There have been no changes in the Auditors in last three financial years preceding the date of this Draft Red Herring Prospectus.

Investor grievances

Investors may contact the Company Secretary and Compliance Officer and/ or the Registrar to the Offer in case of any pre- Offer or post- Offer related problems, such as non-receipt of Allotment Advice, credit of Allotted Equity Shares in the respective beneficiary account, or Refund Orders.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

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

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Offer with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/ or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with Board and the Registrar of Companies

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI's online portal and emailed at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD" dated March 27, 2020 and has also been uploaded electronically through the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC at Registrar of Companies, Jaipur at C/6-7, 1st Floor, Residency Area, Civil Lines, Jaipur – 302 001, Rajasthan.

Statement of *inter se* allocation of Responsibilities for the Offer

Since Unistone Capital Private Limited is the sole Book Running Lead Manager to this Offer and all the responsibilities relating to the co-ordination and other activities in relation to the offer shall be performed by them and hence, a statement of inter se allocation of responsibilities is not applicable.

Designated Intermediaries

Self-Certified Syndicate Banks (SCSBs)

The list of banks that have been notified by SEBI to act as the SCSBs under the SEBI (Bankers to an Issue) Regulations, 1994 for the (i) ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such websites as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and updated from time to time. For details of the list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and as updated from time to time, please refer to the above-mentioned link.

Registered Broker

Bidders can submit ASBA Forms in the Offer using the stock-broker network of the stock exchanges, i.e. through the Registered Brokers at the Broker Centre. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar to the Offer and Share Transfer Agents

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm , as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application 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 members of Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35).

Self Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks eligible as sponsor banks for UPI Mechanism, including details such as name and contact details, are provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41 , or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

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

Experts

Our Company has received written consents from the following persons to include their names in this Draft Red Herring Prospectus as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus:

(i) Consent dated June 17, 2022 from our Statutory and the Peer Review Auditor namely, B. Khosla & Company, Chartered Accountants, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated June 17, 2022.

(ii) Consent dated June 21, 2022 from our Statutory and the Peer Review Auditor namely, B. Khosla & Company, Chartered Accountants, in respect of the Statement of Possible Special Tax Benefits dated June 21, 2022 included in this Draft Red Herring Prospectus.

(iii) Consent dated June 23, 2022 from M/s. Haripriya Associates Private Limited, Independent Chartered Engineers in respect of their (a) certificate dated June 2, 2022 on our Company's installed capacity and capacity utilisation at our production Units included in this Draft Red Herring Prospectus; and (ii) certificate dated June 23, 2022 on total estimated cost, government approvals and proposed capacity to be installed for the Proposed Facility included in this Draft Red Herring Prospectus.

Brokers to the Offer

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

Credit Rating

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

Trustees

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

Debenture Trustees

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading of the Offer.

Monitoring Agency

Our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations.

Appraising Entity

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

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the Selling Shareholders and the BRLM, and will be advertised in [●] editions of the English national newspaper and [●] editions of the Hindi national newspaper (Hindi also being the regional language of Rajasthan where our Registered Office is located), each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date. The Offer Price shall be finalized after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Offer through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.

Each Bidder by submitting a Bid in Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company has appointed the BRLM to manage this Offer and procure Bids for this Offer. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Offer.

Bidders should note that this Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details, please refer to the chapters titled "*Offer Structure*" and "*Offer Procedure*" beginning on pages 335 and 338, respectively of this Draft Red Herring Prospectus.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled "*Offer Procedure*" on page 338 of this Draft Red Herring Prospectus.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their portion of the Offered Shares at any time before the Offer Opening Date without assigning any reason thereof.

If our Company and the Selling Shareholders withdraw the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

The BRLM, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. If our Company and Selling Shareholders withdraw the Offer after the Offer Closing Date and subsequently decide to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Offer Document with the stock exchanges where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final ROC approval of the Prospectus.

Underwriting

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

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

Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten**	% of the total Offer size Underwritten
[●]	[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. Notwithstanding the above table, the Underwrites shall be severally and not jointly responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers or subscribe to Equity Shares to the extent of the defaulted amount in accordance with and subject to the terms of the Underwriting Agreement. The underwriting arrangement stated above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate.

CAPITAL STRUCTURE

Our Equity Share capital before the Offer and after giving effect to the Offer, as at the date of this Draft Red Herring Prospectus, is set forth below:

(₹ in Million except the share data)

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Offer Price[(1)]
I.	**Authorized share capital**		
	46,000,000 Equity Shares of ₹10.00 each	460.00	--
II.	**Issued, subscribed and paid-up share capital prior to the Offer**		
	33,861,818 Equity Shares of ₹10.00 each	338.62	--
III.	**Present Offer in terms of the Draft Red Herring Prospectus**		
	Fresh Issue of up to [●] Equity Shares of ₹10.00 each at a price of ₹ [●] per Equity Share[(4)]	[●]	[●]
	Offer for Sale of up to [●] Equity Shares ₹10.00 each at a price of ₹ [●] per Equity Share[(5)]	[●]	[●]
IV.	**Issued, subscribed and paid-up share capital after to the Offer**		
	[●] Equity Shares of ₹ 10.00 each	[●]	
V.	**Securities premium account**		
	Before the Offer	172.30	
	After the Offer	[●]	

(1) To be finalized upon determination of Offer Price

(2) For details of the changes in the authorized share capital of our Company, please refer to chapter titled "History and Certain Corporate Matters" beginning on page 196 of this Draft Red Herring Prospectus.

(3) As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

(4) The Fresh Issue has been authorized pursuant to a resolution of our Board of Directors dated March 26, 2022 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on April 25, 2022.

(5) For details of authorizations received for the Offer for Sale, please refer to the chapter "The Offer" beginning on page 70 of this Draft Red Herring Prospectus. The Equity Shares being offered by each Selling Shareholder have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 8 of SEBI ICDR Regulations and are eligible for being offered for sale in the Offer.

1. Notes on Capital Structure

The following table sets forth the history of the equity share capital history of our Company

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (₹)
Upon Incorporation	300	10	10	Cash	Subscription to the MoA [(A)]	300	3,000
March 30, 1992	30,000	10	10	Cash	Further allotment [(B)]	30,300	303,000
November 30, 1992	11,700	10	10	Cash	Further allotment [(C)]	42,000	420,000
March 31, 2004	440,100	10	10	Cash	Further allotment [(D)]	482,100	4,821,000
April 26, 2004	429,900	10	10	Cash	Further allotment [(E)]	912,000	9,120,000
September 13, 2004	280,020	10	10	Cash	Further allotment [(F)]	1,192,020	11,920,200
February 11, 2005	1,900	10	10	Cash	Further allotment [(G)]	1,193,920	11,939,200
December 06, 2005	75,000	10	10	Cash	Further allotment [(H)]	1,268,920	12,689,200
February 13, 2006	300,000	10	10	Cash	Further allotment [(I)]	1,568,920	15,689,200
February 22, 2007	86,000	10	50	Cash	Further allotment [(J)]	1,654,920	16,549,200
March 31, 2007	116,200	10	50	Cash	Further allotment [(K)]	1,771,120	17,711,200
July 13, 2007	150,000	10	50	Cash	Further allotment [(L)]	1,921,120	19,211,200
March 26, 2009	205,000	10	100	Cash	Further allotment [(M)]	2,126,120	21,261,200
July 27, 2009	105,000	10	100	Cash	Further allotment [(N)]	2,231,120	22,311,200

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (₹)
August 18, 2015	375,000	10	40	Cash	Right issue(O)	2,606,120	26,061,200
August 21, 2015	437,500	10	40	Cash	Right issue(P)	3,043,620	30,436,200
February 10, 2017	375,000	10	40	Cash	Private Placement (Q)	3,418,620	34,186,200
February 16, 2017	125,000	10	40	Cash	Private Placement (R)	3,543,620	35,436,200
March 04, 2017	750,000	10	40	Cash	Private Placement (S)	4,293,620	42,936,200
May 20, 2017	625,000	10	40	Cash	Private Placement (T)	4,918,620	49,186,200
May 23, 2017	625,000	10	40	Cash	Private Placement (U)	5,543,620	55,436,200
May 25, 2017	750,000	10	40	Cash	Private Placement (V)	6,293,620	62,936,200
May 19, 2018	156,250	10	64	Cash	Rights Issue(W)	6,449,870	64,498,700
April 16, 2021	12,899,740	10	-	Other than Cash	Bonus Issue(X)	19,349,610	193,496,100
March 26, 2022	14,512,208	10	-	Other than Cash	Bonus Issue(Y)	3,3861,818	338,618,180
Total	**33,861,818**						

A. Initial subscribers to the MoA subscribed 300 Equity Shares of face value of ₹10/- each as per the details given below:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	*Sheo Kumar Ruia*	*100*
2.	*Arun Nevatia*	*100*
3.	*Rajiv Ladia*	*100*
	Total	***300***

B. Further allotment of 30,000 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below*:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	*Sheo Kumar Ruia HUF*	*6,000*
2.	*Lalita Ruia*	*4,000*
3.	*Rajiv Shah*	*10,000*
4.	*Ramesh Arya*	*10,000*
	Total	***30,000***

** There was an error in the number of shares allotted to the extent of 300 equity shares in Form-2 filed for this allotment.*

C. Further allotment of 11,700 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	*Vivek Ruia*	*500*
2.	*Sheo Kumar Ruia*	*500*
3.	*Lalita Ruia*	*500*
4.	*Rajiv Shah*	*200*
5.	*Ajita Agarwal*	*100*
6.	*Amit Ruia*	*500*
7.	*Anita Agarwal*	*100*
8.	*Arun Singh*	*500*
9.	*Bajrang Lal Jalan*	*200*
10.	*Bajranglal Shanti Kumar*	*200*
11.	*Binita Agarwal*	*100*
12.	*Debashish Charaberty*	*200*
13.	*Geta Devi Netia*	*200*
14.	*Ginni Devi Ruia*	*500*
15.	*Gita Agarwal*	*100*
16.	*Krishan Murari Naita*	*200*
17.	*Lalit Baid*	*500*
18.	*Lalita Devi Netia*	*200*
19.	*Lata Netia*	*200*
20.	*Birju Singh Shekhawat*	*200*
21.	*Madhusudan Shroff*	*500*
22.	*Aruna Devi Mishra*	*100*
23.	*Nisha Ruia*	*500*
24.	*Raghunath Mishra*	*100*
25.	*Nirmala Saraf*	*100*
26.	*Mool Chand Badiwal*	*100*
27.	*Sajjan Kumar Aggarwal*	*200*
28.	*Pashupati Kumar Ruia*	*500*
29.	*Punita Saraf*	*200*
30.	*Pushpa Devi Shroff*	*500*
31.	*Radhe Krishan Agarwal*	*200*
32.	*Gyarsi Lal Shah*	*200*
33.	*Ram Dular Sharma*	*100*
34.	*Rawant Singh Shekhawat*	*100*
35.	*Sajjan Saraf*	*500*
36.	*Shiela Shroff*	*500*
37.	*SK Ruia HUF*	*500*

38.	Trilok Chand Naita	200
39.	Trilok Chand Naita HUF	100
40.	Uday Jalan	200
41.	Vinod Nandan Jha	100
42.	Vivek Ruia HUF	500
	Total	**11,700**

D. Further allotment of 440,100 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	Mayank Shah (Proprietor of Republic Engineering Company)	140,100
2.	Amazon Sales Private Limited	60,000
3.	Graffco Sales Private Limited	50,000
4,	Capitive Commerce Private Limited	100,000
5.	Long Range Finance & Leasing Co. Private. Limited	50,000
6.	Vee Point Commerce Private Limited	40,000
	Total	**440,100**

E. Further allotment of 429,900 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	Rajiv Shah	210,000
2.	Mayank Shah (Proprietor of Republic Engineering Company)	219,900
	Total	**429,900**

F. Further allotment of 280,020 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	Mayank Shah (Proprietor of Republic Engineering Company)	70,000
2.	M/s. Laminated Products India	210,000
3.	Sajjan Kumar Shah	10
4.	Ramesh Kumar Shah	10
	Total	**280,020**

G. Further allotment of 1,900 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	*Name of Allottees*	*Number of Equity Shares*
1.	Sajjan Kumar Shah	100
2.	Debi Prasad Agarwal	100
3.	Ratan Kumar Agarwal	100
4.	Lalit Kumar Agarwal	100
5.	Sunita Agarwal	100
6.	Triveni Devi Agarwal	100
7.	Ratan Kumar Agarwal HUF	100
8.	Narbada Devi Shah	100

Sr. No.	Name of Allottees	Number of Equity Shares
9.	Divya Shah	100
10.	Rachana Shah	100
11.	Tulsi Prasad Shah	100
12.	Saral Khandelwal	200
13.	Ramesh Kumar Shah HUF	100
14.	Sajjan Kumar Shah HUF	100
15.	Kavita Jhunjhunwala	100
16.	Madhu Shah	100
17.	Tulsi Prasad Shah HUF	100
18.	Sarita Shah	100
	Total	**1,900**

H. Further allotment of 75,000 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	60,000
2.	Ram Gopal Agarwal and Sons HUF	15,000
	Total	**75,000**

I. Further allotment of 300,000 Equity Shares of face value of ₹10/- each at a price of ₹ 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Kashiraj Supply Private Limited	200,000
2.	Casino Securities Private Limited	100,000
	Total	**300,000**

J. Further allotment of 86,000 Equity Shares of face value of ₹10/- each at a price of ₹ 50/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Vee Point Commerce Private Limited	20,000
2.	Kashiraj Supply Private Limited	20,000
3.	Dipnarayan Management Private Limited	20,000
4.	Shree Shakun Trade & Commerce Private Limited	18,000
5.	Merlin Tie-Up Private Limited	8,000
	Total	**86,000**

K. Further allotment of 116,200 Equity Shares of face value of ₹10/- each at a price of ₹ 50/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Oswal Services Private Limited	16,000
2.	Dipnarayan Management Private Limited	10,000
3.	Shree Shakun Trade & Commerce Private Limited	14,000
4.	Vee Point Commerce Private Limited	16,000
5.	Asha Tradecom Private Limited	50,000
6,	Modern Publicity Private Limited	10,000
7.	Vatsankit Shah Trust	100

Sr. No.	Name of Allottees	Number of Equity Shares
8.	Mridvika Shah Trust	100
	Total	**116,200**

L. Further allotment of 150,000 Equity Shares of face value of ₹10/- each at a price of ₹ 50/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Kashiraj Supply Private Limited	20,000
2.	Casino Securities Private Limited	20,000
3.	Shree Shakun Trade & Commerce Private Limited	20,000
4.	Maharaja Merchants Private Limited	20,000
5.	Elpro Viniyag Private Limited	50,000
6.	Sun Supplier Private Limited	20,000
	Total	**150,000**

M. Further allotment of 205,000 Equity Shares of face value of ₹10/- each at a price of ₹ 100/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Basuki Investors and Traders Private Limited	20,000
2.	Mahadev Dealcom Private Limited	25,000
3.	Onkar Fiscal Services Private Limited	40,000
4.	Simco Merchandise Private Limited	20,000
5.	Vivek Credit and Finvest Private Limited	25,000
6.	Om Fiscal Private Limited	30,000
7.	Chaitanya Dealcom Private Limited	45,000
	Total	**205,000**

N. Further allotment of 105,000 Equity Shares of face value of ₹10/- each at a price of ₹ 100/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Dayanidhi Vanijya Private Limited	30,000
2.	Asian Marbles Private Limited	30,000
3.	Onkar fiscal services Private Limited	20,000
4.	Simco Merchandise Private Limited	25,000
	Total	**105,000**

O. Rights issue of 375,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	205,000
2.	Mayank Shah	170,000
	Total	**375,000**

P. Rights issue of 437,500 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	201,790

Sr. No.	Name of Allottees	Number of Equity Shares
2.	Mayank Shah	235,710
	Total	**437,500**

Q. Private Placement of 375,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	68,625
2.	Mayank Shah	141,125
3.	Sweta Shah	28,000
4.	Nisha Shah	100,500
5.	Prabhu Dealtrade Private Limited	21,000
6.	Shivam Tradevin Private Limited	15,750
	Total	**375,000**

R. Private Placement of 125,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	18,375
2.	Mayank Shah	18,375
3.	Dayanidhi Vanijya Private Limited	21,000
4.	Gopala Trading Private Limited	21,000
5.	Shivam Tradevin Private Limited	3,250
6.	Sri Hari Vinimay Private Limited	22,000
7.	Tribhuvan Trading Private Limited	21,000
	Total	**125,000**

S. Private Placement of 750,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	312,500
2.	Mayank Shah	312,500
3.	Sweta Shah	125,000
	Total	**750,000**

T. Private Placement of 625,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	162,500
2.	Mayank Shah	177,850
3.	Sweta Shah	24,900
4.	Mayank Shah HUF	50,850
5.	Vatsankit Shah Trust	82,800
6.	Mridvika Shah Trust	126,100
	Total	**625,000**

U. Private Placement of 625,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	87,500
2.	Mayank Shah	327,500
3.	Nisha Shah	210,000
	Total	**625,000**

V. Private Placement of 750,000 Equity Shares of face value of ₹10/- each at a price of ₹ 40/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Rajiv Shah	125,000
2.	Mayank Shah	500,000
3.	Nisha Shah	125,000
	Total	**750,000**

W. Rights issue of 156,250 Equity Shares of face value of ₹10/- each at a price of ₹ 64/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Vatsankit Shah	78,125
2.	Mridvika Shah	78,125
	Total	**156,250**

X. Bonus Issue of 12,899,740 Equity Shares of face value of ₹10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Mayank Shah	9,504,940
2.	Mayank Shah HUF	1,101,900
3.	Sweta Shah	1,352,000
4.	Vatsankit Shah Trust	322,250
5.	Mridvika Shah	408,650
6.	M/s. R. S. Associates	210,000
	Total	**12,899,740**

Y. Bonus Issue of 14,512,208 Equity Shares of face value of ₹10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares
1.	Mayank Shah	10,674,158
2.	Mayank Shah HUF	1,239,638
3.	Sweta Shah	1,521,000
4.	Vatsankit Shah Trust	362,531
5.	Mridvika Shah	459,731
6.	Rajshree Kachawa	37,500
7.	Sumangala Kachawa	37,500
8.	Bimal Kumar Agarwal	34,125
9.	Shrividya Kachawa	18,750
10.	Karuna Devi Agarwal	34,125
11.	Mudit Agarwal	34,125

Sr. No.	Name of Allottees	Number of Equity Shares
12.	*Rashi Agarwal*	*34,125*
13.	*Stutee Agarwal*	*24,750*
14.	*Aseem Sehgal*	*75*
15.	*Rajesh Gattani*	*75*
	Total	***14,512,208***

2. As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

3. **Details of Equity Shares issued for consideration other than cash:**

Other than as set out below, our Company has made no other issues of Equity Shares for consideration other than cash as on the date of this Draft Red Herring Prospectus:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Benefits accrued to our Company	Reason/ Nature of allotment	Name of Allottee
April 16, 2021	12,899,740	10	N.A.	-	Bonus Issue	*Please refer to table 1(X) above*
March 26, 2022	14,512,208	10	N.A.	-	Bonus Issue	*Please refer to table 1(Y) above*

4. No Equity Shares have been allotted pursuant to any scheme of arrangement approved under Section 391-394 of the Companies Act, 1956 or section 230-234 of the Companies Act, 2013.

5. Our Company has not issued any shares pursuant to employee stock option scheme.

6. **Issue of Equity Shares at a price lower than Offer Price in the last one (1) year**

Our Company has not made issue of specified securities which may be at a price lower than the Offer Price during the preceding one (1) year before the date of filing of this Draft Red Herring Prospectus.

7. **Shareholding Pattern of our Company**

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

(*Face value of Equity Shares of ₹10 each*)

S. No	*Category of shareholder*	*Nos. of share holders*	*No. of fully paid up equity shares held*	*No. of Partly paid-up equity shares held*	*No. of shares underlying Depository Receipts*	*Total nos. shares held*	*Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)*	*Number of Voting Rights held in each class of securities**			*No. of Shares Underlying Outstanding convertible securities (including Warrants)*	*Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)*	*Number of Locked in shares***		*Number of Shares pledged or otherwise encumbered*		*Number of equity shares held in dematerialized form*
								No of Voting Rights		*Total as a % of (A+B+C)*			*No. (a)*	*As a % of total Shares held (b)*	*No. (a)*	*As a % of total Shares held (b)*	
								*Class Equity Shares of ₹10/- each^*	*Total*								
I	**II**	**III**	**IV**	**V**	**VI**	**VII = IV+V+VI**	**VIII**	**IX**			**X**	**XI=VIII+IX**	**XII**		**XIII**		**XIV**
(A)	Promoters & Promoter Group	10	33,642,718	-	-	33,642,718	99.35%	3,36,42,718	33,642,718	99.35%	-	99.35%		-		-	33,642,718
(B)	Public	5	219,100	-	-	219,100	0.65%	219,100	219,100	0.65%	-	0.65%		-		-	219,100
(C)	Non-Promoter-Non-Public	-	-											-		-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	- -	-	-	-	-		-		-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-		-		-	-
	Total	**15**	**33,861,818**	**-**	**-**	**33,861,818**	**100.00**	**33,861,818**	**33,861,818**	**100.00**	**-**	**100.00**		**-**		**-**	**33,861,818**

**As on date of this Draft Red Herring Prospectus, one (1) Equity Share holds one (1) vote.*

^We have only one class of Equity Share of face value of ₹ 10/- each.

***All Pre-IPO equity shares of our Company will be locked-in from the date of listing as mentioned above.*

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI LODR Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE and NSE before commencement of trading of such Equity Shares.

8. **The list of the shareholders of the Company holding 1% or more of the paid-up share capital aggregating to 80% or more of the paid-up share capital of the Company:**

a. As on the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the then existing paid up capital
1.	Mayank Shah	24,906,368	73.55
2.	Mayank Shah HUF	2,892,488	8.54
3.	Sweta Shah	3,549,000	10.48
4.	Vatsankit Shah Trust	845,906	2.50
5.	Mridvika Shah	1,072,706	3.17
	Total	**33,266,468**	**98.24**

b. Ten (10) days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the then existing paid up capital
1.	Mayank Shah	24,906,368	73.55
2.	Mayank Shah HUF	2,892,488	8.54
3.	Sweta Shah	3,549,000	10.48
4.	Mridvika Shah	1,072,706	3.17
5.	Vatsankit Shah Trust	845,906	2.50
	Total	**33,266,468**	**98.24**

c. One (1) year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the then existing paid up capital
1.	Mayank Shah	14,257,410	73.68
2.	Mayank Shah HUF	1,652,850	8.54
3.	Sweta Shah	2,028,000	10.48
4.	Vatsankit Shah Trust	483,375	2.50
5.	Mridvika Shah	612,975	3.17
6.	M/s. R. S. Associates	315,000	1.63
	Total	**19,349,610**	**100**

d. Two (2) year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the then existing paid up capital
1.	Mayank Shah	4,752,470	73.68
2.	Mayank Shah HUF	550,950	8.54
3.	Sweta Shah	676,000	10.48
4.	Vatsankit Shah Trust	161,125	2.50
5.	Mridvika Shah Trust	204,325	3.17
6.	M/s. R. S. Associates	105,000	1.63
	Total	**6,449,870**	**100**

9. Other than as disclosed in this chapter, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

10. Our Company does not have any proposal or intention to alter the equity capital structure by way of split/ consolidation of the denomination of the Equity Shares, or the issue of securities on a preferential basis or issue of bonus or rights or further public issue of securities or qualified institutions placement within a period of six (6) months from the date of opening of the Offer. However, if business needs of our Company so require, our Company may alter the capital structure by way of split/ consolidation of the denomination of the Equity Shares/ issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Offer or from the date the application moneys are refunded on account of failure of the Offer, after seeking and obtaining all the approvals which may be required.

11. **Capital build-up of Promoter's shareholding, Promoter's contribution and Lock-in:**

i. Build-up of Promoter's shareholdings.

As on the date of this Draft Red Herring Prospectus, our Promoter, Mayank Shah holds 24,906,368 Equity Shares, which constitutes 73.55% of the pre- Offer issued, subscribed and paid-up Equity Share Capital of our Company. None of the Equity Shares held by our Promoter is subject to any pledge.

1. Mayank Shah

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre Offer equity share capital	% of post Offer equity share capital
September 05, 2001	1,200	10	10	Cash	Transfer from Vivek Ruia	0.00	[●]
September 05, 2001	2,800	10	10	Cash	Transfer from Lalita Ruia	0.01	[●]
September 05, 2001	10,200	10	10	Cash	Transfer from Uday Jalan	0.03	[●]
March 31, 2004	140,100	10	10	Cash	Further issue	0.41	[●]
April 26, 2004	219,900	10	10	Cash	Further issue	0.65	[●]
September 13, 2004	70,000	10	10	Cash	Further issue	0.21	[●]
February 27, 2006	(140,000)	10	10	Cash	Transfer to Felcon Securities Private Limited	(0.41)	[●]
October 18, 2006	(100,000)	10	10	Cash	Transfer to Graffco Sales Private Limited	(0.30)	[●]
October 18, 2006	(20,000)	10	10	Cash	Transfer to Parrot Agencies and Credit Private Limited	(0.06)	[●]
October 18, 2006	(70,000)	10	10	Cash	Transfer to Srishti Sales Private Limited	(0.21)	[●]

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre Offer equity share capital	% of post Offer equity share capital
December 18, 2006	150,000	10	2	Cash	Transfer from Vedant Vinimay Private Limited	0.44	[●]
March 12, 2007	(100,000)	10	10	Cash	Transfer to Kashiraj Supply Private Limited	(0.30)	[●]
April 25, 2008	100	10	10	Cash	Transfer from Triveni Devi Agarwal	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Sudhir Kumar Gupta	0.00	[●]
April 25, 2008	200	10	10	Cash	Transfer from Saral Khandelwal	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from RK Agarwal and Sons HUF	0.00	[●]
April 25, 2008	200	10	10	Cash	Transfer from Suranjana Murarka	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Rattan Kumar Agarwal HUF	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Rattan Kumar Agarwal	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Parvin Kumar Choudhary	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Pawan Kumar Sharma	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Narbada Devi Shah	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Lalit Kumar Agarwal	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Karni Ram Dayal	0.00	[●]
April 25, 2008	100	10	10	Cash	Transfer from Hanumandas Marwari	0.00	[●]

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre Offer equity share capital	% of post Offer equity share capital
April 25, 2008	100	10	10	Cash	Transfer from Anjan Ghosh	0.00	[●]
December 08, 2008	16,000	10	2	Cash	Transfer from Oswal Services Private Limited	0.05	[●]
December 08, 2008	9,000	10	2	Cash	Transfer from Dipnarayan Management Private Limited	0.03	[●]
January 08, 2009	36,000	10	2	Cash	Transfer from Vee Point Commerce Private Limited	0.11	[●]
January 08, 2009	20,000	10	2	Cash	Transfer from Asha Tradecom Private Limited	0.06	[●]
February 02, 2009	175,000	10	2	Cash	Transfer from Rajiv Shah	0.52	[●]
March 02, 2009	20,000	10	2	Cash	Transfer from Kashiraj Supply Private Limited	0.06	[●]
March 02, 2009	(400,000)	10	2	Cash	Transfer to Mayank Commercial Private Limited	(1.18)	[●]
January 01, 2010	(100)	10	10	Cash	Transfer to Radhe Shyam Trading Company	(0.00)	[●]
January 01, 2010	(100)	10	10	Cash	Transfer to Sangeeta Devi Choudhary	(0.00)	[●]
April 01, 2010	100	10	10	Cash	Transfer from Saurav Shah	0.00	[●]
March 12, 2012	50,000	10	10	Cash	Transfer from Gyarsi Lal HUF	0.15	[●]

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre Offer equity share capital	% of post Offer equity share capital
December 24, 2012	25,000	10	10	Cash	Transfer from Anil Kumar Shaw	0.07	[●]
December 24, 2012	25,000	10	10	Cash	Transfer from Suraj Kumar Shaw	0.07	[●]
December 24, 2012	15,000	10	10	Cash	Transfer from Ram Gopal Agarwal and Sons HUF	0.04	[●]
December 24, 2012	958,900	10	2	Cash	Transfer from Gyarsi Lal Shah HUF	2.83	[●]
August 18, 2015	170,000	10	40	Cash	Rights Issue	0.50	[●]
August 21, 2015	235,710	10	40	Cash	Rights Issue	0.70	[●]
February 10, 2017	141,125	10	40	Cash	Private Placement	0.42	[●]
February 16, 2017	18,375	10	40	Cash	Private Placement	0.05	[●]
March 04, 2017	312,500	10	40	Cash	Private Placement	0.92	[●]
May 20, 2017	177,850	10	40	Cash	Private Placement	0.53	[●]
May 23, 2017	327,500	10	40	Cash	Private Placement	0.97	[●]
August 31, 2018	161,075	10	-	Other than Cash	Transfer via gift deed from Gyarsi Lal Shah HUF	0.48	[●]
September 04, 2018	161,075	10	-	Other than Cash	Transfer via gift deed from Rajiv Shah	0.48	[●]
September 04, 2018	161,075	10	-	Other than Cash	Transfer via gift deed from Gyarsi Lal Shah	0.48	[●]
September 04, 2018	161,075	10	-	Other than Cash	Transfer via gift deed from Saurav Shah	0.48	[●]
September 11, 2018	41,500	10	-	Other than Cash	Transfer via gift deed from Rajiv Shah and Sons HUF	0.12	[●]

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre Offer equity share capital	% of post Offer equity share capital
September 17, 2018	41,500	10	-	Other than Cash	Transfer via gift deed from Saurav Shah	0.12	[●]
September 17, 2018	41,500	10	-	Other than Cash	Transfer via gift deed from Rajiv Shah	0.12	[●]
March 16, 2019	21,000	10	64	Cash	Transfer from Dayanidhi Vanijya Private Limited	0.06	[●]
March 16, 2019	20,500	10	64	Cash	Transfer from Tribhuvan Trading Private Limited	0.06	[●]
March 16, 2019	21,000	10	64	Cash	Transfer from Gopala Trading Private Limited	0.06	[●]
February 11, 2020	100	10	100	Cash	Transfer from Divya Shah	0.00	[●]
February 11, 2020	100	10	100	Cash	Transfer from Sajjan Kumar Shah HUF	0.00	[●]
February 11, 2020	100	10	100	Cash	Transfer from Sarita Shah	0.00	[●]
February 11, 2020	10	10	100	Cash	Transfer from Sajjan Kumar Shah	0.00	[●]
February 11, 2020	100	10	100	Cash	Transfer form Sweta Shah	0.00	[●]
February 11, 2020	1,183,600	10	-	Other than Cash	Transfer via gift deed from Rajiv Shah	3.50	[●]
February 11, 2020	238,500	10	-	Other than Cash	Transfer via gift deed from Rajiv Shah & Sons HUF	0.70	[●]
April 16, 2021	9,504,940	10	-	Other than Cash	Bonus Issue	28.70	[●]
September 28, 2021	315,000	10	55	Cash	Transfer from R.S Associates	0.93	[●]

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre Offer equity share capital	% of post Offer equity share capital
September 28, 2021	(50,000)	10	55	Cash	Transfer to Sumangla Kachawa	(0.15)	[●]
September 28, 2021	(50,000)	10	55	Cash	Transfer to Rajshree Kachawa	(0.15)	[●]
September 28, 2021	(33,000)	10	55	Cash	Transfer to Stutee Agarwal	(0.10)	[●]
September 28, 2021	(45,500)	10	55	Cash	Transfer to Bimal Kumar Agarwal	(0.13)	[●]
September 28, 2021	(45,500)	10	55	Cash	Transfer to Karuna Devi Agarwal	(0.13)	[●]
September 28, 2021	(45,500)	10	55	Cash	Transfer to Mudit Agarwal	(0.13)	[●]
September 28, 2021	(45,500)	10	55	Cash	Transfer to Rashi Agarwal	(0.13)	[●]
September 28, 2021	(100)	10	55	Cash	Transfer to Rajesh Gattani	0.00	[●]
September 28, 2021	(100)	10	55	Cash	Transfer to Aseem Sehgal	0.00	[●]
September 28, 2021	(25,000)	10	55	Cash	Transfer to Shrividya Kachawa	(0.07)	[●]
March 26, 2022	10,674,158	10	-	Other than cash	Bonus Issue	31.52	[●]
Total	**24,906,368**					73.55	[●]

* All the Equity Shares held by our Promoter were fully paid up as on the respective dates of acquisition of such Equity Shares.
** *Cost of acquisition excludes Stamp Duty*

As on the date of this Draft Red Herring Prospectus, our Promoter does not hold any preference shares in our Company.

ii. Details of Lock–in of Equity Share capital:

a) Promoter's Contribution locked-in for three (3) years

Pursuant to Regulation 14 and 16 of the SEBI ICDR Regulations, an aggregate of at least 20% of the post- Offer Equity Share Capital of our Company held by our Promoter shall be considered as Promoter's Contribution ("**Promoter's Contribution**") and shall be locked-in for a period of three (3) years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchanges before listing of the Equity Shares.

All Equity Shares held by our Promoter are eligible for Promoter's Contribution, pursuant to Regulation 15 of the SEBI ICDR Regulations.

Our Promoter have consented to the inclusion of such number of the Equity Shares held by them, in aggregate, as may constitute 20% of the post-Offer Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution, for a period of three (3) years from the date of allotment in the Offer.

The below Equity Shares proposed to form part of Promoter's Contribution subject to lock-in shall not be disposed of/ sold/ transferred by our Promoter during the period starting from the date of filing this Draft Red Herring Prospectus until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations.

Accordingly, Equity Shares aggregating to 20% of the post- Offer capital of our Company, held by our Promoter shall be locked-in for a period of three (3) years from the date of Allotment in the Offer as follows:

Date on which the Equity Shares were Allotted/ made fully paid up/ Acquired	No. of Equity shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition Price Per Share (₹)	Nature of transaction	% of post-Offer share capital	Period of Lock-in
Mayank Shah						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**				[●]	

**Assuming full subscription to the Offer*

The Promoter's Contribution has been brought into the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations.

The Equity Shares that are being locked are eligible for computation of Promoter's Contribution under Regulation 15 of the SEBI ICDR Regulations. In this respect, we confirm the following:

i) that the minimum Promoter's Contribution does not consist of Equity Shares acquired during the preceding three years, which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;

ii) that the minimum Promoter's Contribution does not consist of Equity Shares acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are ineligible for minimum Promoter's contribution;

iii) that the minimum Promoter's Contribution does not consist of Equity Shares acquired during the one (1) year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

iv) that the Equity Shares held by our Promoter which are offered for minimum Promoter's Contribution are not subject to any pledge or any other form of encumbrance whatsoever; and all the Equity Shares of our Company held by the Promoter are dematerialized;

v) The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

b) Details of Equity Shares Locked-in

In terms of Regulation 16(1)(b) and 17 of the SEBI ICDR Regulations, the Promoter's holding in excess of minimum Promoter's Contribution, will be locked-in for one (1) year and the entire pre-Offer capital held by the persons other than Promoter, will be locked-in for six (6) months, from the date of Allotment.

The shares which are in dematerialized form 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.

c) Other requirements in respect of lock-in

In terms of Regulation 21 of the SEBI ICDR Regulations, locked-in Equity Shares for three years held by our Promoter may be pledged only with scheduled commercial banks or public financial institutions or a systematically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Promoter's Contribution for three years under Regulation 16(a) of the SEBI ICDR Regulations may be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted to the Issuer Company or its subsidiary(ies) by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer.

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

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by Promoter and locked- in as per Regulation 16 may be transferred to any person of the Promoter group or a new Promoter and the Equity Shares held by persons other than the Promoter and locked- in in terms of Regulation 17, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations and such transferee shall not be eligible to transfer them until the lock- in period stipulated in the SEBI ICDR Regulations has expired.

d) We further confirm that our Promoter's Contribution of 20% of the post- Offer Equity Share capital does not include any contribution from Alternative Investment Fund, Foreign Venture

Capital Investors, Scheduled Commercial Banks, Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

12. As on the date of this Draft Red Herring Prospectus, our Company has fifteen (15) shareholders.

13. The average cost of acquisition of or subscription of shares by our Promoter and Selling Shareholders is set forth in the table below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition* (₹ per share)
1.	Mr. Mayank Shah	24,906,368	2.46
2.	Mrs. Sweta Shah	3,549,000	0.60

14. ***Price at which Equity Shares were acquired in the last three years, by our Promoter, members of the Promoter Group and the Selling Shareholders***

The details of the price at which Equity Shares were acquired in the three years preceding the filing of this Draft Red Herring Prospectus, by our Promoter, members of the Promoter Group and the Selling Shareholders are as follows:

Name of the Acquirer	Date of acquisition of Equity Shares	No. of Equity Shares acquired	Acquisition price per Equity Share (₹)
Our Promoter			
Mayank Shah	February 11, 2020	1,422,100	Nil@
	February 11, 2020	410	100
	April 16, 2021	9,504,940	Nil#
	September 28, 2021	315,000	55
	March 26, 2022	10,674,158	Nil#
Promoter Group Members (other than the Selling Shareholders)			
Mayank Shah HUF	April 16, 2021	1,101,900	Nil#
	March 26, 2022	1,239,638	Nil#
Mridvika Shah	April 01, 2021	204,325	Nil
	April 16, 2021	408,650	Nil#
	March 26, 2022	459,731	Nil#
Vatsankit Shah Trust	April 16, 2021	322,250	Nil#
	March 26, 2022	362,531	Nil#
Bimal Agarwal	September 28, 2021	45,500	55
	March 26, 2022	34,125	Nil#
Karuna Devi Agarwal	September 28, 2021	45,500	55
	March 26, 2022	34,125	Nil#
Mudit Agarwal	September 28, 2021	45,500	55
	March 26, 2022	34,125	Nil#
Rashi Agarwal	September 28, 2021	45,500	55
	March 26, 2022	34,125	Nil#
Stutee Agarwal	September 28, 2021	33,000	55
	March 26, 2022	24,750	Nil#
Selling Shareholders (other than the Promoter)			
Sweta Shah	February 11, 2020	623,000	Nil@
	April 16, 2021	1,352,000	Nil#
	March 26, 2022	1,521,000	Nil#

@ *Acquired through gift*

Acquired under bonus issuance

15. Details of the pre and post- Offer shareholding of our Promoter and Promoter group is as below:

Particulars	Pre-Offer		Post-Offer	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
Promoter				
Mayank Shah	24,906,368	73.55	[●]	[●]
Total (A)	**24,906,368**	**73.55**	**[●]**	**[●]**
Promoter Group				
Sweta Shah	3,549,000	10.48	[●]	[●]
Mayank Shah HUF	2,892,488	8.54	[●]	[●]
Mridvika Shah	1,072,706	3.17	[●]	[●]
Vatsankit Shah Trust	845,906	2.50	[●]	[●]
Bimal Kumar Agarwal	79,625	0.24	[●]	[●]
Karuna Devi Agarwal	79,625	0.24	[●]	[●]
Mudit Agarwal	79,625	0.24	[●]	[●]
Rashi Agarwal	79,625	0.24	[●]	[●]
Stutee Agarwal	57,750	0.17	[●]	[●]
Total (B)	**8,736,350**	**25.80**	[●]	[●]
Total (A+B)	**33,642,718**	**99.35**	**[●]**	**[●]**

16. Members of our Promoter Group or our Directors or their immediate relatives have not sold or purchased, or financed the sale or purchase of, Equity Shares by any other person during the six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

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

18. Our Company, our Directors, our Promoter and the BRLM have not entered into any buy-back and/ or standby and/ or similar arrangements for the purchase of Equity Shares of our Company, offered through this Draft Red Herring Prospectus, from any person.

19. Since the entire Offer Price per share shall be called up on application, all the successful applicants will be allotted fully paid-up shares.

20. The BRLM and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and their respective 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 investment banking transactions with our Company, for which they may receive customary compensation.

21. We have not granted any options or issued any shares under any scheme of employee stock option or employees stock purchase in the preceding three (3) years and we do not intend to allot any Equity Shares to our Employees under ESOS/ ESOP scheme from proposed Offer.

22. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments, financial

instruments or any other rights which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.

23. An applicant cannot make an application more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

24. Except pre- IPO placement, if any, in consultation with the BRLM, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus until the Equity Shares to be issued pursuant to the Offer have been listed.

25. In case of over- subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 49 of SEBI ICDR Regulations.

26. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.

27. An over-subscription to the extent of 1% of the Offer 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 Offer. Consequently, the actual allotment may go up by a maximum of 1% of the Offer, as a result of which, the post- Offer paid up capital after the Offer 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 years lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.

28. 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 BRLM and the Designated Stock Exchange i.e. National Stock Exchange of India Limited. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

29. The unsubscribed portion in any reserved category, if any, may be added to any other reserved category.

30. There are no Equity Shares against which depositories receipts have been issued.

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

32. As per RBI regulations, OCBs are not allowed to participate in this Offer.

33. Our Company has not raised any bridge loans against the proceeds of the Offer.

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

35. Our Promoter and Promoter Group will not participate in this Offer.

36. This Offer is being made through Book Building method.

37. The BRLM, our Company, our Directors, our Promoter, our Promoter Group and/ or any person connected with the Offer shall not 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, for making an Application.

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

39. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Offer Closing Date will be reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue.

Offer for Sale

The proceeds of the Offer for Sale shall be received by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholders will be entitled to the proceeds from the Offer for Sale, net of the respective portion of the Offer related expenses. For further details, please see *"Offer Related Expenses"* on page 120.

The Fresh Issue

Requirement of Funds

The proceeds from the Fresh Issue less our Company's share of the Offer related expenses, is estimated to be ₹ [●] Million (the "Net Proceeds").

Our Company proposes to utilize the Net Proceeds towards funding of the following objects:

1. Investment in our wholly owned subsidiary, Global Surfaces FZE for part-financing its capital expenditure requirements in relation to the setting up of manufacturing facility for engineered quartz at The Jebel Ali Free Zone, Dubai, United Arab Emirates ("UAE") **("Proposed Facility");**

2. General corporate purposes.

(Collectively, referred to herein as the "**Objects**")

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Offer. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Additionally, we believe that the listing of Equity Shares will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

Offer Proceeds

The details of the proceeds from the Offer are set out in the following table:

(₹ in Million)

Particulars	Estimated amount
Gross Proceeds from the Offer	[●]*
(Less) Offer related expenses#	[●]
Net Proceeds	[●]*

**Subject to finalisation of Basis of Allotment.*
#The Offer related expenses in relation to the Fresh Issue shall be borne by our Company. For further details, please see "Offer Related Expenses" on page 120.

Utilization of Net Proceeds

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

(₹ in Million)

Sr. No.	Particulars	Estimated amount
1.	Investment in Global Surfaces FZE for part-financing its capital expenditure requirements in relation to the setting up of the Proposed Facility	900.00
2.	General corporate purposes	[●]
Total		[●]

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Million)

Sr. No.	Particulars	Total estimated cost	Amount already deployed as on May 31, 2022	Amount to be funded from the Net Proceeds(3)	Estimated Deployment of Net Proceeds
					Fiscal 2023
1	Investment in our wholly owned subsidiary, Global Surfaces FZE for part-financing its capital expenditure requirements in relation to the setting up manufacturing facility for Quartz at The Jebel Ali Free Zone, Dubai, UAE.	1433.37(1)	200.46(2)(3)	900.00	900.00
2.	General corporate purposes (4)	[●]	[●]	[●]	[●]
	TOTAL	**[●]**	**[●]**	**[●]**	**[●]**

(1) Total estimated cost as per certificate dated June 23, 2022 issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers in respect of the Proposed Facility.
(2) As certified by B. Khosla & Co., Chartered Accountants, our Statutory Auditors, by way of their certificates dated June 17, 2022 in respect of amounts already deployed towards the Proposed Facility.
(3) The difference/remaining amount of ₹ 332.91 Million towards the total estimated cost (i.e. cost in addition to the amount being utilized from the Net Proceeds) will be funded from internal accruals.
(4) To be finalized upon determination of the Offer Price.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on the certificate issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers dated June 23, 2022, our current business plan, management's estimates, valid contracts and quotations from vendors, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been verified by the Book Running Lead Manager or appraised by any bank or financial institution.

Global Surfaces FZE has entered into a contract with the vendors for acquiring plant and machinery and other utilities at the Proposed Facility and undertaking civil and structural works thereon. As on May 31, 2022, we, through our wholly owned subsidiary, Global Surfaces FZE, have deployed an amount of ₹ 200.46 Million for setting up the Proposed Facility which is required to be set up and commissioned in a time bound manner. While as on the date of this DRHP, our Company has not taken any financial assistance from any bank, financial institution or other lender for setting up the Proposed Facility, our Company is in the process of seeking financial assistance from bank(s)/ financial institution(s) for the same. If such assistance is sanctioned and disbursed before the receipt of the Net Proceeds, our Company shall use the Net Proceeds to repay the same.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, including changes in design or configuration of the machines/equipment, incremental raw material expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. Consequently, the fund requirements of our Company are subject to revision in the future at the discretion of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. Our historical capital expenditure may not be reflective of our future capital expenditure plans.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects of the Fresh Issue, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations. For details on risks involved, see "*Risk Factor No. 15 – Our funding requirements and proposed deployment of the Net Proceeds are based on third-party certification and management's estimates which may be subject to change based on various factors, some of which are beyond our control*" on page 40.

Means of finance

The Objects are proposed to be funded from the Net Proceeds and by utilizing our internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance. The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on the certificate issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers dated June 23, 2022, our current business plan, managements estimates, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management.

Details of the Objects

The details of the Objects of the Offer are set out below:

1. **Investment in our wholly owned subsidiary, Global Surfaces FZE for part-financing its capital expenditure requirements in relation to the setting up of manufacturing facility for engineered quartz at The Jebel Ali Free Zone, Dubai, UAE ("Proposed Facility")**

We propose to utilize ₹ 900.00 Million out of the Net Proceeds towards investment on our wholly owned subsidiary, Global Surfaces FZE for the purpose of setting up of manufacturing facility in Dubai. Global

Surfaces FZE has taken on lease a parcel of land admeasuring 39,657.63 square meters situated at Plot no. S-50902, The Jebel Ali Free Zone, Dubai, UAE for a period of twenty years where it has been granted a rent-free lease period till June 13, 2023. All the expenses incurred till date in connection with the said lease have been borne through our internal accruals. Our Company proposes to invest such amounts from the Net Proceeds either by way of subscription to equity shares, preference shares, non-convertible debentures and/or by way of sub-ordinate debt or in any other manner. The actual mode of investment has not been finalised as on the date of this Draft Red Herring Prospectus and will be finalized at the time of utilization of the funds received from the Net Proceeds. By setting up this Proposed Facility, which is strategically located in free trade zone and near Jebel Ali port, our Company intends to achieve physical growth, organic growth, optimization of freight and transportation charges, customer acquisition and expansion of our business. For further details, please see *"Our Business – Strategies"* on page 171.

Capacity and schedule of implementation

The installed capacity of the Proposed Facility is proposed to be an aggregate of 622,896 sq. metres of slabs and is expected to commence commercial operations by start of third quarter of Fiscal 2023 (September 2023).

The expected schedule of implementation of the Proposed Facility is set forth below:

Particulars	Investment in wholly owned subsidiary	
	Status/ expected Commencement date	Expected Completion date
Lease Agreement	December 2021	NA
Civil and structural works	May 2022	June 2023
Order of Pending P&M, Equipments	October 2022	January 2023
Erection and installation of equipment	October 2022	March 2023
Setting up of the R&D Lab	January 2023	April 2023
Trial run/ validation	July 2023	August 2023
Commercial production	September 2023	

The aforementioned schedule of implementation is based on the certificate issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers dated June 23, 2022 and our management's estimates. For further details see "Risk Factor No. 5 – *If there are delays in setting up the Proposed Facility or if the costs of setting up and the possible time or cost overruns related to the Proposed Facility or the purchase of plant and machinery for the Proposed Facility are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects*" on page 34.

Estimated Costs

The total estimated cost of the Proposed Facility is ₹ 1,433.37 Million. Our Board at its meeting held on March 26, 2022 approved amount of ₹ 900.00 Million for part financing the Proposed Facility from the Net Proceeds. This cost has been estimated by our management in accordance with our business plan, current and valid quotations from vendors and other commercial and technical factors and certified by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers *vide* their certificate dated June 23, 2022. No second-hand or used machinery/ equipment are proposed to be purchased out of the Net Proceeds. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution.

The detailed break-down of estimated cost is set forth below:

(₹ in Million)

Particulars	Total estimated cost (1) (3)	Amount deployed as on May 31, 2022(2)	Amount proposed to be funded from the net Proceeds
Civil & Structural work	549.11	47.60	419.10
Plant, Machinery & Equipments	538.73	140.85	397.88
Utilities & Ancillaries	145.63	Nil	83.02
Electrical and Other instruments	120.39	10.21	Nil
Engineering and Construction supervision	5.72	1.79	Nil
R&D kilo lab and related instruments	5.76	Nil	Nil
Contingency	68.03	Nil	Nil
Total	**1,433.37**	**200.46**	**900.00**

(1) Total estimated cost as per certificate dated June 23, 2022 issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers.
(2) As of May 31, 2022, the amount deployed towards the Proposed Facility was ₹ 200.46 Million, as certified by B. Khosla & Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated June 17, 2022.
(3) The difference/ remaining amount of ₹ 332.91 Million towards the total estimated cost (i.e. cost in addition to the amount being utilized from the Net Proceeds) will be funded from internal accruals by our Company.

The current estimates and specifications in relation to the capital expenditure requirements of the Proposed Facility are based on the current status of implementation, project design and layout. Further, Global Surfaces FZE may continue to place new orders, amend existing orders as per project requirements or pursuant to any design or technical changes or make scheduled payments in relation to the orders which have been placed with vendors for various plant, machinery and equipment, materials, civil work and any other requirements (including services) in relation to the Proposed Facility. Such payments shall be funded through internal accruals of our Company infused into Global Surfaces FZE in the form of debt or equity or a combination of both.

Global Surfaces FZE has entered into memorandum of agreement for professional services dated November 16, 2021 with Design House Engineering Consultancy, architectural & engineering firm based out of Dubai, UAE in relation *inter alia* to design, develop, construct the entire Proposed Facility including receiving necessary regulatory permissions, government approvals and permits, providing training and technical supervisory support for plant operations either through self or by engaging third party vendors. The payments pursuant to the said agreement made till date have been funded through the internal accruals.

Global Surfaces FZE shall place orders for the assets and services for which orders are yet to be placed as per the schedule of implementation for the Proposed Facility.

Break-up of the estimated cost:

a. Civil and structural work:

Global Surfaces FZE has entered into an agreement dated March 29, 2022 with Al Avon Contracting LLC through Design House Engineering Consultancy, architectural & engineering firm based out of Dubai, UAE for civil and structural work and allied services to construct and complete the Proposed Facility. Civil and structural works for the Proposed Facility include site development, building of compound walls, internal roads, storm water drains, construction and engineering related work including civil and structural works for erection of plant and machinery, fire requirements, warehouses, raw material storage, administrative set up, drainage, sewerage and sanitation system.

The total estimated cost for civil and structural works for the Proposed Facility is ₹ 549.11 Million as certified pursuant to the certificate dated June 23, 2022 issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers out of which as on May 31, 2022 our Company has already made payments of ₹ 47.6 Million. Balance amount of ₹ 501.50 Million is further diverged into ₹ 419.10 Million is proposed to be paid from the Net Proceeds and ₹ 82.41 Million is proposed to be funded from the internal accruals.

The break-down of estimated cost of civil and structural works is set forth below:

(₹ in Million)

Particulars	Total estimated cost	Amount deployed as on May 31, 2022	Amount proposed to be funded from the net Proceeds	Amount proposed to be funded from the internal accruals
Civil & Structural works	549.11	47.60	419.10	82.41

b. Plant, Machinery & Equipments:

Global Surfaces FZE has entered into a contract with Veegoo Technology Co. Ltd. and Xincheng International (Hongkong) Co., Limited for complete setup of Quartz Slab Plant and Calibrating and polishing Machinery as detailed below

The total value of plant and machinery is ₹ 538.73 Million. Our Company has made payments towards advance and partial delivery of ₹ 140.85 Million. Accordingly, balance amount of ₹ 397.88 Million is proposed to be paid from the Net Proceeds.

The detailed list of plant and machinery, equipment and automation to be purchased by Global Surfaces FZE is provided below:

Type of Plant, Machinery & Equipment	Composition of Plant, Machinery & Equipment*	Amount to be funded from Net Proceeds*** (₹ in Million)	Name of Vendor**	Date of Contract relied upon for the cost estimate
Quartz Slab Plant for Line one, two and three	Raw Material Supplying System	345.58	Veegoo Technology Co. Ltd.	January 08, 2022
	Powder storage System			
	Resin Storage System			
	Mixing and Lump Breaking System			
	Lump Breaking System			
	Distributing and Pressing System			
	Hardening, cooling, unloading and mold system			
	Control System			
	Auxiliary Equipments			
Calibrating and	Rotating Stacker			
	Vacuum Loader/Unloader			

Type of Plant, Machinery & Equipment	Composition of Plant, Machinery & Equipment*	Amount to be funded from Net Proceeds*** (₹ in Million)	Name of Vendor**	Date of Contract relied upon for the cost estimate
Polishing Machinery	Trimming line	52.30	Xincheng International (Hongkong) Co., Limited	December 14, 2021
	Roller conveyor			
	Roller Calibrating machine			
	180° turnover machine			
	Hydraulic loader/unloader			
	Polishing machine			
	Filming machine			
	Auto Loader/Unloader			
	Spare Parts			
	Bridge Cutting Machine			

** No second hand machineries are proposed to be purchased out of the Net Proceeds.*
***The vendors of machineries are not related to our Promoter or Promoter Group Companies.*
****The cost of machinery provided by the vendors is in USD. A portion of the estimated cost denominated in USD has been converted at 1 USD = ₹ 76.05 for calibrating and polishing machinery and at 1 USD = ₹ 74.27 for Quartz Slab Plant (based on prevailing foreign exchange rates at the time of issuing the purchase order) for the purpose of disclosure of the selected items in this Draft Red Herring Prospectus. There may be a fluctuation in the exchange rate between the Indian Rupee and the USD rate and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds.*

c. Utilities and Ancillaries:

The estimated funding requirements towards utilities and ancillaries required at the Proposed Facility are ₹ 145.63 Million which includes, *inter alia*, effluent treatment systems, water systems, air systems, steam generation systems, silos, storage tanks and fire water systems, etc.

Our Company proposes to utilise ₹ 83.02 Million out of the Net Proceeds towards the utilities and ancillaries. A detailed break-up of such estimated cost which is proposed to be funded from the Net Proceeds is set forth below:

Sr. No.	Description as per Quote	Total Cost Estimate as per Quotation (₹ in Million)	Name of Vendor	Date of Quotation relied upon for the cost estimate
1.	SS Resin Storage Cylindrical Vertical Tank	7.12	Ghaziabad Polymers P.Ltd	12/05/2022
2.	Yale Fork Lift Capacity 3.5 MT	7.99	Gourav Lifter & crane service	02/06/2022
3.	Water Treatment Plant	9.10	M/s Matec	25/05/2022
4.	Silos	5.15	M/s Laxmi Engneerings Industries	11/05/2022
5.	Compressor	7.18	Atlas Copco	25/05/2022
6.	DG Set (600 kilowatt)	3.9	Sudhir Power Ltd	02/06/2022

Sr. No.	Description as per Quote	Total Cost Estimate as per Quotation (₹ in Million)	Name of Vendor	Date of Quotation relied upon for the cost estimate
7.	E.O.T. Cranes	34.73	Trinity Mechanical Services	25/05/2022
8.	HVAC	7.74#	Ozone Cool Electromechanical Works LLC	18/06/2022
9.	Misc.	0.11	-	-
TOTAL		83.02		

**Estimated cost as per certificate dated June 23, 2022 issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers*

 # A portion of the estimated cost denominated in AED has been converted at 1 AED = ₹ 21.21 (based on prevailing foreign exchange rates at the time of receipt of the quotation) for the purpose of disclosure of the selected items in this Draft Red Herring Prospectus. There may be a fluctuation in the exchange rate between the Indian Rupee and the AED rate and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds.

d. Other expenses

Further, any additional costs incurred towards freight charges, installation and commissioning charges, transportation, insurance, exchange rate fluctuations, import duty, applicable taxes etc. in relation to the Proposed Facility will be met from internal accruals of our Company which shall be advance to/infused in Global Surfaces FZE for the purposes to meet such expenditure.

Global Surfaces FZE has placed 100% orders in terms of the aggregate estimated cost for the plant and machinery required for the Proposed Facility.

The quotations, contracts and agreements received from vendors in relation to the above-mentioned Object are valid as on the date of this Draft Red Herring Prospectus. Further, while Global Surfaces FZE has issued purchase orders to some of the vendors, there can be no assurance that such vendors will deliver the equipment and material on time or that there will be no delay in provision of services by such vendors. The break-up of the estimated cost, quantity of equipment and other materials to be purchased is based on the certificate issued by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers dated June 23, 2022 and our management's estimates and could be subject to change in the future. In the event of any change in the breakup of the estimated cost, the Net Proceeds may be appropriately distributed across the estimated cost-heads to adjust any decrease or increase in the cost. For further details see "Risk Factor No. *15 – "Our funding requirements and proposed deployment of the Net Proceeds are based on third party certification and management's estimates which may be subject to change based on various factors, some of which are beyond our control.."* on page 40.

Government approvals

In relation to the Proposed Facility, we are required to obtain certain approvals, permits and certificates which are routine in nature, from certain governmental or local authorities, the status of which is provided below and certified by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers pursuant to a certificate dated June 23, 2022.

	Initial Approvals	Final Approvals

Authority	Nature of approval	Stage at which approval is required	Status	Nature of approval	Stage at which approval is required	Status
JAFZA	EPM Approval	PD Submission	Approved	N.A	N.A	N.A
TRAKHEES	Plot Coordinates	PD Submission	Approved	N.A	N.A	N.A
TRAKHEES	Preliminary Design Approval	BP Approval	Approved	N.A	N.A	N.A
TRAKHEES	Exception Approval	BP Approval	Approved	N.A	N.A	N.A
TRAKHEES	N.A	N.A	N.A	Mobilization Permit	Mobilization Work	Approved
TRAKHEES	N.A	N.A	N.A	Excavation NOC	Excavation Work	Approved
DEWA	N.A	N.A	N.A	Water NOC	BP Approval	Approved
DEWA	N.A	N.A	N.A	Electricity NOC	BP Approval	Approved
ETISALAT	N.A	N.A	N.A	Telecom NOC	BP Approval	Approved
DCD	DCD Initial Approval	BP Approval	N.A	DCD Final Approval	BP Approval	Approved
RTA	Gate Level	BP Approval	N.A	ROW Approval	BP Approval	Approved
TRAKHEES	N.A	N.A	N.A	Change of Contractor	Construction Work	Approved
TRAKHEES	N.A	N.A	N.A	Initial Demarcation	Construction Work	Approved
TRAKHEES	N.A	N.A	N.A	Foundation Work	Construction Work	Approved
TRAKHEES	N.A	N.A	N.A	Piling Work	Construction Work	In Process
TRAKHEES	N.A	N.A	N.A	Building Permit	Construction Work	In Process
TRAKHEES	N.A	N.A	N.A	Mobilization Permit-Revised	New Contractor Mobilization	In Process
COMPLETION STAGE (BUILDING COMPLETION CERTIFICATE)						
JAFZA	N.A	N.A	N.A	EPM	For BCC	Upon

				NOC For BCC		project completion
TRAKHEES	N.A	N.A	N.A	Final demarcation	For BCC	
DCD	N.A	N.A	N.A	DCD Completion	For BCC	
TRAKHEES	N.A	N.A	N.A	CED Completion Inspection	For BCC	
TRAKHEES	N.A	N.A	N.A	EHS Completion Inspection	For BCC	
ETISALAT	N.A	N.A	N.A	Telecom BCC NOC	Telecom Access	
DEWA	N.A	N.A	N.A	DEWA Connection	Permanent Connection	

Global Surfaces FZE shall submit necessary applications with the relevant authorities for obtaining all initial approvals and final approvals as applicable, at the relevant stages as indicated in the columns "initial approvals' and "final approvals" in the above table, respectively. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly. For further details on the pending applications in relation to the Proposed Facility,see "*Government and Other Approvals*" and "Risk Factor No. 5 – *If there are delays in setting up the Proposed Facility or if the costs of setting up and the possible time or cost overruns related to the Proposed Facility or the purchase of plant and machinery for the Proposed Facility are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*" on pages 314 and 34, respectively.

Contingency

We have created a provision for contingency of ₹ 68.03 Million, which is approximately 4.75% of total estimated cost of the Proposed Expansion, to cover packing related charges, taxes, levies and other duties, as applicable, and any increase in the estimated cost of setting up the Proposed Facility will be met from the internal accruals of our Company.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds of the Offer, in compliance with SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following: strategic initiatives, meeting expenses incurred by our Company and strengthening of our manufacturing and R&D capabilities, brand building and strengthening of marketing activities, and ongoing general corporate exigencies or any other purposes as approved by our Board subject to compliance with the necessary regulatory provisions

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

Offer Related Expenses

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

Other than (i) the listing fees, which will be solely borne by our Company; all Offer related expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by each of the Selling Shareholders in the Offer for Sale, respectively. Any expenses paid by our Company on behalf of the Selling Shareholders in the first instance will be reimbursed to our Company, by each of the Selling Shareholders to the extent of their proportion of Offer related expenses, directly from the Public Offer Account.

In the event the Offer is not successfully completed and/or withdrawn and/or abandoned, all such cost and expenses shall be borne by our Company. The estimated Offer related expenses are as under:

Expenses*	Estimated expenses (in Million)	As a % of the total estimated expenses	As a % of the total Gross Offer Proceeds
Fees payable to BRLM (including underwriting commission) and Legal Advisor to the Offer	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees to the Registrar to the Offer	[●]	[●]	[●]
Fees payable to the Regulators including stock exchange	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate[1]	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers[2]	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs[3]	[●]	[●]	[●]

Expenses*	Estimated expenses (in Million)	As a % of the total estimated expenses	As a % of the total Gross Offer Proceeds
Processing fees to Issuer banks for UPI mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them[4]	[●]	[●]	[●]
Others (Bankers to the Offer, Auditor's fees, etc.)	[●]	[●]	[●]
Total estimated Offer expenses	**[●]**	**[●]**	**[●]**

Note: The above shall be finalized upon determination of the Offer Price.
**Upto May 31, 2022, our Company has incurred ₹ 3.29 Million towards Offer Related Expenses out of internal accruals as certified by B. Khosla & Co., Statutory Auditors of our Company.*

1. Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs (for the bid cum application forms directly procured from investors), on the portion for RIIs and NIIs, would be as follows:

   Portion for RIIs [●]% ^ (exclusive of GST)
   Portion of NIIs [●]% ^ (exclusive of GST)

   ^ Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price)

   Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of ₹ [●] (plus applicable GST) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

2. Registered Brokers, will be entitled to a commission of ₹ [●] (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

3. SCSBs would be entitled to a processing fee of ₹ [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

4. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them.

Bridge Financing

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

Interim Use of Funds

Pending utilization of the Net Proceeds for the Objects described above, our Company shall temporarily deposit the funds in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, it shall not use the funds from the Net Proceeds pending utilization, for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

Our Company will appoint [●] as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Board and the Monitoring Agency will monitor the utilisation of the Net Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directorss report, after placing the same before the Audit Committee.

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 Offer without our Company being authorised 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 Promoter 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

Except to the extent of the proceeds received pursuant to the Offer for Sale by the Selling Shareholders, none of our Promoter, Directors, KMPs or Promoter Group will receive any portion of the Offer Proceeds and there are no material existing or anticipated arrangements or transactions in relation to utilization of the Net Proceeds with our Promoter, Directors, KMPs or Promoter Group.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to "Our Business", "Risk Factors", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 167, 31, 232 and 289, respectively, of this DRHP to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Wide product portfolio and multiple designs
- Established presence in international markets
- Experienced and result oriented Promoter
- Synergy of young and experienced management team with a committed employee base
- Effective quality checks thereby reducing loss.
- R&D set up for new product development.

For further details, see "*Our Business – Strengths*" on page 169 of this DRHP.

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements.

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

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

Fiscal	Basic and Diluted EPS (₹)	Weight
Fiscal 2022	10.52	3
Fiscal 2021	10.02	2
Fiscal 2020	6.19	1
Weighted Average	**9.63**	

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year /Total of weights.*
2. *Basic earnings per share (₹) = Restated Net profit/loss attributable to equity shareholders / weighted average number of equity shares outstanding during the year.*
3. *Diluted earnings per share (₹) = Restated Net profit/loss attributable to equity shareholders / weighted average number of diluted equity shares outstanding during the year.*
4. *Weighted Average Number of Shares is the number of Shares, outstanding at the beginning of the period adjusted by the number of shares issued during the period, multiplied by the time weighting factor. The time weighting Factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period;*
5. *Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share.*
6. *The figures disclosed above are based on the Restated Consolidated Summary Statements.*

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

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
P/E ratio based on Basic EPS for Fiscal 2022	[●]	[●]
P/E ratio based on Diluted EPS for Fiscal 2022	[●]	[●]

Industry Peer Group P/E ratio

We believe that there is only one industry peer engaged exclusively in the segment which we operate. Accordingly, it is not possible to provide comparable ratio of an industry in relation to our Company.

III. Return on Net Worth ("RoNW")

Derived from the Restated Financial Statements:

Financial Year ended	RoNW	Weight
Fiscal 2022	26.59%	3
Fiscal 2021	34.47%	2
Fiscal 2020	32.51%	1
Weighted Average	**30.20%**	

Notes:

1. *Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;*
2. *Return on Net Worth (%) = Restated Consolidated Profit/(loss) attributable to owners of the holding company/ net worth at the end of the year/ period;*
3. *Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as* attributable *to the owners of the holding company as on March 31, 2020; 2021 and 2022. Net worth represents equity attributable to owners of the holding company and does not include amounts attributable to non-controlling interests.*

IV. Net asset value per Equity Share (face value of ₹ 10 each)

Net Asset Value per Equity Share derived from the Restated Financial Statements:

Particulars*	Amount (₹ in Million)
Net Asset Value per Equity Share as of March 31, 2022	39.58
After completion of the Offer	
(i) At Floor price	[●]
(ii) At Cap Price	[●]
Offer Price per equity share	[●]

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year. Total no of shares taken to calculate the NAV is after taking into consideration Bonus

Note: Net Asset Value has been calculated as per the following formula:

$$NAV = \frac{\textit{Net worth excluding preference share capital and revaluation reserve}}{\textit{Outstanding number of Equity shares outstanding during the year / period}}$$

Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

V. Comparison with listed industry peer:

Following is the comparison with our peer companies listed in India:

Name of the Company	For the year ended March 31, 2022						
	Face value (₹)	Revenue from operations (₹ in Mn)(1)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted (EPS) (2)	Return on average net worth (%) (3)	NAV per Equity Share (₹) (4)
Global Surfaces Limited	10	1903.13	10.52	10.52	[●]	26.59	39.58
Peer Group							
Pokarna Limited	2	6500.00	25.25	25.25	29.53	17.67	142.85

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis sourced from the Annual Reports of the respective company for the year ended March 31, 2021.

Notes:

1. *Revenue from operations has been sourced from the audited standalone financial results of the respective company for the year ended March 31, 2022.*
2. *P/E Ratio has been computed based on the closing market price of equity shares on the BSE on March 31, 2022 divided by the Diluted EPS.*
3. *RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.*
4. *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.*

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", *Management Discussion and Analysis of Financial Position and Results of Operations*" and "*Financial Information*" on pages 31, 167, 289 and 232, 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*" and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: June 21, 2022

To,
The Board of Directors
Global Surfaces Limited (formerly known as "Global Stones Private Limited")
PA-010-006, Kalwara, Mahindra World City S.O
Jaipur, Rajasthan-302037, India

Dear Sir(s):

Sub: Statement of possible special tax benefits available to Global Surfaces Limited, its shareholders and material subsidiary, prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

In relation to the Company, we, B Khosla & Co., Chartered Accountants, are an independent firm of chartered accountants, appointed by the Company in terms of our engagement letter dated April 01, 2022 in relation to the Offer.

We report that the enclosed statement in **Annexure A**, states the possible special tax benefits available to the Company, to its shareholders and material subsidiary under the applicable tax laws presently in force in India and the US, including the Income Act, 1961 ('**Act**'), as amended by the Finance Act, 2022 i.e. applicable on the date of this certificate for FY 2022-23 and AY 2023-24, and other direct tax and indirect tax laws presently in force in India and the US. Several of these benefits are dependent on the Company, its shareholders and material subsidiary fulfilling the conditions prescribed under the relevant provisions of the statutes. Hence, the ability of the Company, its shareholders and material subsidiary to derive the stated possible special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

With respect to the possible special tax benefits mentioned in the Annexure to this Statement in the case of the Material Subsidiary in the United States, the management of respective Material Subsidiary has engaged professional(s) / firm(s) specialising in tax laws ("tax specialist") of the country of which such Material Subsidiary is tax resident to identify the special tax benefits. We have placed reliance on such statement of tax benefits issued by such tax specialists and our work relating to statement of possible special tax benefits available to the Material Subsidiary is solely based on such statement of special tax benefits issued by the tax specialists engaged by Material Subsidiary.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

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

i) the Company, its shareholders or its material subsidiary will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with.
iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations, representations obtained from the Company and on the basis of statement of tax benefit issued by the tax specialist(s) of the Material Subsidiary and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange(s)/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

Terms capitalised and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus.

Yours sincerely,
For B. Khosla & Co.,
Chartered Accountants
ICAI Firm Registration No.:000205C

Sandeep Mundra
Partner
Membership No: 75482

Place: Jaipur
Date: June 21, 2022
UDIN: 22075482ALRGND6752

CC:
Unistone Capital Private Limited
A/305, Dynasty Business Park,
Andheri - Kurla Road, Andheri (East),
Mumbai - 400 059, India

Annexure-A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND MATERIAL SUBSIDIARY

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, SHAREHOLDERS AND MATERIAL SUBSIDIARY OF THE COMPANY

SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

The Statement of tax benefits enumerated below is as per the Income-tax Act, 1961 ("**the Act**") as amended by the Finance Act, 2022 and applicable to Financial Year ('FY') 2022-23 relevant to Assessment Year ('AY') 2023-24.

(1) Lower tax rate for dividend received from foreign companies

As per section 115BBD of the Act, the dividend received from a company outside India in which the Indian company holds 26% or more of the equity share capital, is taxable at the rate of 15% plus applicable surcharge and cess under the Act. However, no deduction in respect of any expenditure is allowable while computing the income from such dividend received from a company outside India.

In view of the above, considering that the Company holds more than 26% of equity share capital of the foreign companies, dividend, if any, received during FY 2022-23 shall be subject to tax at the rate of 15% plus applicable surcharge and cess under the Act. Further, credit for the taxes paid / withheld in overseas jurisdiction may be available to the Company in accordance with the provisions of the Act and the provisions of Double Tax Avoidance Agreement ('DTAA') read with the provisions of Multilateral Instruments, if any based on the facts of each case.

(2) Deduction in respect of inter-corporate dividends – Section 80M of the Act

Up to 31 March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1 April 2020 is liable to tax in the hands of the shareholder. The Company is required to deduct tax at source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any). With respect to a resident corporate shareholder, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. Subject to the fulfilment of prescribed conditions, the section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust which does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the due date for furnishing the return of income under sub-section (1) of section 139 of the Act.

(3) Special Economic Zone ("SEZ") benefit- Section 10AA

The Company has Special Economic Zone ("SEZ") unit at Mahindra World City, Jaipur, Rajasthan and is in the 5th year of claiming deduction under section 10AA of the IT Act during FY 2022-23. Section 10AA provides for deduction to a SEZ unit which begins to manufacture or produce articles or things or provide any services. The deduction under this section shall be allowed for a total period of 15 assessment years as under, subject to fulfillment of specified conditions and provisions of section 10AA:

For the first 5 consecutive years beginning with the previous year in which the unit begins to manufacture such articles or things or provide services	100% of the profits and gains derived from the export of such articles or things or from service
Next 5 consecutive assessment year	50% of such profits or gain
Next 5 consecutive assessment year	So much of the amount not exceeding fifty per cent of the profit as is debited to the profit and loss account of the previous year in respect of which the deduction is to be allowed and credited to a Special Economic Zone Re-investment Reserve Account to be created and utilized for the purposes of the business of the assessee

(4) Minimum Alternate Tax Credit

The Company has paid Minimum Alternate Tax (Hereinafter referred to as "MAT") on their "Book Profits" under section 115JB of the Act, the tax credit of the same is available under section 115JAA of the Income Tax Act and it is available for set off for fifteen assessment years from the date of availment when tax payable as per the normal tax provision exceed tax payable under the section 115JB of the Act.

(5) Deduction in respect of employment of new employees

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA

SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

(1) Section 112A of the Act provides for concessional tax rate of 10% (plus applicable surcharge and cess) on long term capital gains (exceeding Rs. 1,00,000) arising from the transfer of equity shares or units of an equity oriented fund or units of a business trust, if Security Transaction Tax ('STT') has been paid on both acquisition and transfer of such shares / units and subject to fulfilment of other prescribed conditions (including Notification No.60/2018/F.No.370142/9/2017-TPL dated 1 October 2018).

(2) As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 15% (plus applicable surcharge and cess) subject to fulfillment of prescribed conditions under the Act.

(3) In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY IN THE US UNDER US TAX LAWS

There are no possible special tax benefits available to Global Surfaces Inc. under the direct tax laws of USA. Global Surfaces Inc. has no carried forward losses for the year ended 31 March 2021 & 2022.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND MATERIAL SUBSIDIARY

The statement of tax benefits enumerated below is as per the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 as amended from time to time (collectively referred to as "**Indirect tax**").

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

(1) In accordance with Section 54 of the CGST Act 2017, Section 16 of the IGST Act, 2017 and subject to conditions prescribed under the GST Act and Rules made thereunder, the Company is entitled to claim refunds for:

a) Input tax credit of tax paid on inputs and input services used in manufacture of exported goods i.e claim refund of unutilised Input tax credit by supplying under Bond or Letter of Undertaking;

b) Integrated Goods and Service Tax paid at the time of export of goods/services; and

c) Input tax credit accumulated on account of rate of tax on input being higher than the rate of tax on output supplies

(2) Duty drawback of duty paid on import of materials used in manufacture of export goods under Section 75 of the Customs Act, subject to conditions prescribed under the Act.

(3) Duty credit scrips under Merchandise Export from India Scheme ("MEIS") covered in Chapter 3 – Exports from India Scheme in Foreign Trade Policy 2015-20 as extended till December 31, 2020. However, the Cabinet has approved a WTO compliant scheme Remission of Duty and Taxes on Exported Products ("RODTEP") to determine mechanism for reimbursement of taxes, duties/levies at central, state and local level. The scheme came into force from January 1,2021 and replaced MEIS.

(4) As per Notification 64/2017- Customs dated 5th July, 2017, subject to conditions prescribed, any supply to an SEZ unit is exempt form the levy of Integrated Goods and Service Tax Act, 2017.

(5) As per Section 26 of the SEZ Act, 2005, subject to conditions prescribed under the Act, Import of goods by Units in SEZ is exempted from any *duty of customs* leviable under Customs Act, 1962 or the Customs Tariff Act, 1975

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special Indirect Tax benefits available to the shareholders of the Company.

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY IN THE US UNDER US TAX LAWS

There are no possible special Indirect tax benefits available to Global Surfaces Inc. under USA tax laws.

Notes:

1. ***We have not considered the general tax benefits available to the Company, or shareholders of the Company.***

2. ***The above is as per the Tax Laws as on date.***

3. ***The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.***

4. ***This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.***

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from the report titled "Report on Natural and Engineered Stone Industry" dated May *2022 (the "*CARE Report*") prepared and issued by CARE Advisory Research & Training Limited, commissioned by us. Unless specified otherwise, all information in this section has been derived from the CARE Advisory Research & Training Limited. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Restated Financial Statements" and related notes beginning on page 31 and 232 respectively of this Draft Red Herring Prospectus.*

OVERVIEW OF THE INDIAN ECONOMY

Economic Outlook

Global Economy

As per the latest International Monetary Fund's (IMF) World Economic Outlook growth projections released in April 2022, the world economy grew by 6.1% in CY21. For CY22, projection for global economic growth slashed to 3.6% citing disruptions due to the Russia-Ukraine conflict and inflationary concerns. It further added that emerging economies are expected to underperform than the advanced economies in CY22 and CY23 as they were hit harder by higher energy and food prices.

Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)

Country/Group	2021	2022P	2023P
World Output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
United States	5.7	3.7	2.3
Euro Area	5.3	2.8	2.3
Japan	1.6	2.4	2.3
United Kingdom	7.4	3.7	1.2
Canada	4.6	3.9	2.8
Remaining Advances Economies	5.0	3.1	3.0
Emerging Market & Developing Economies	6.8	3.8	4.4
Emerging and Developing Asia	7.3	5.4	5.6
China	8.1	4.4	5.1
India*	8.9	8.2	6.9
ASEAN**	3.4	5.3	5.9
Emerging and Developing Europe	6.7	-2.9	1.3

Latin America and the Caribbean	6.8	2.5	2.5
Middle East and Central Asia	5.7	4.6	3.7
Sub-Saharan Africa	4.5	3.8	4.0

Notes: P-Projection

*For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

**Includes Indonesia, Malaysia, Philippines, Thailand and Vietnam

Source: IMF – World Economic Outlook, April-2022

With the ongoing geopolitical tension between Russia-Ukraine, the economic consequences are anticipated to be serious in near to medium term. Surge in Energy and commodity prices have added pressure to the existing global inflation. In Asia, the biggest impact is expected to be felt among oil importers of Association of Southeast Asian Nations (ASEAN) economies, India and frontier economies including some Pacific Islands. The other impact is likely to be seen in the neighboring economies due to disrupted trade and supply chains. Further, the reduced business confidence and higher investor uncertainty will weigh on asset prices, tightening financial conditions and potentially spurring capital outflows from emerging markets.

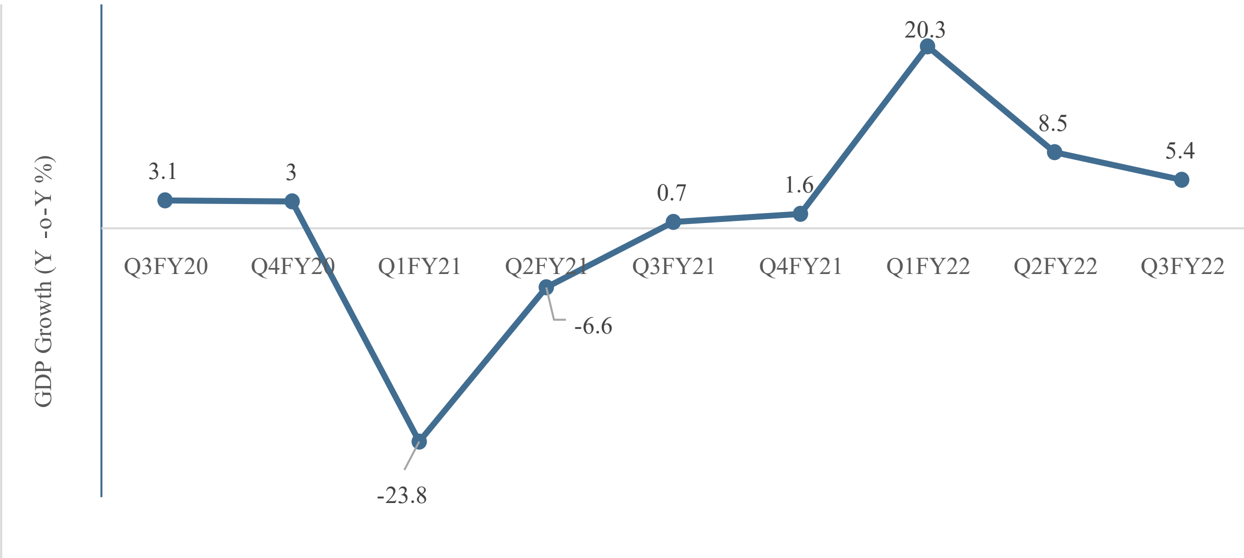
Indian Economy

GDP growth and Outlook

FY22 started with the country being hit by the second wave of the pandemic which saw lockdowns and restrictions being re-imposed across states for 2 - 3 months. This impeded economic output in Q1FY21 and led to a year-on-year (Y-o-Y) decline of 23.8% in GDP. The Indian economy bounced back strongly in Q1FY22 with 20.3% Y-o-Y growth due to low base. The easing of lockdowns and restrictions across states since June coupled with the decline in Covid-19 cases and higher vaccination rate facilitated higher economic activity at a faster than expected and this was reflected in the GDP for the Q2FY22 which grew annually by 8.5%. The dip in Q3FY22 of 5.4% can be attributed to fading base effect.

When compared with the pre-pandemic period i.e., Q3FY20, the GDP in Q3FY22 is higher by 6.2%.

Growth in GDP at constant prices (Y-o-Y in %)



Source: Ministry of Statistics and Programme Implementation (MOSPI)

Since February 2022, the geo-political tension triggered by the conflict between Russia and Ukraine is gradually unfolding its economic impact. India is may already be witnessing its impact in energy and food market. Oil and other commodity prices are blazing to multi-year highs, and financial markets are on edge, driven by massive sell-offs. Amidst these testing times, the Indian economy is experiencing spillovers as it recovers from the third wave of Pandemic.

With the ebbing of the third wave and expanding vaccination coverage, the pick-up in contact-intensive services and urban demand is expected to be sustained. The escalation of the geopolitical situation and the accompanying surge in international crude oil and other commodity prices, tightening of global financial conditions, persistence of supply-side disruptions and significantly weaker external demand pose downside risks to the outlook. Taking all these factors into consideration, the real GDP growth for 2022-23 is pared down at 7.2% by RBI in April'22 Outlook from 7.8% estimated in Feb'22 Outlook.

RBI's GDP Growth Outlook (Y-o-Y %)

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	FY23
GDP Growth – April'22 Outlook	16.2	6.2	4.1	4.0	7.2
GDP Growth – Feb'22 Outlook	17.2	7	4.3	4.5	7.8

Source: RBI press release dated April 08, 2022 and February 28, 2022

Gross Value Added (GVA)

Gross value added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of supply side whereas GDP represents consumption.

- There has been a broad-based year-on-year growth across all the sectors in Q3FY22 driven by the low base of year ago.
- When compared with the pre-pandemic period i.e., Q3FY20, the output of the service sector viz., trade, hotel, transport & communication and finance, real estate & professional services have been lower
- Industry (29% of GVA) as well as the services (52% of GVA) sector were the drivers of economic output during the quarter.
- The industrial sector grew only by 0.2% on an annual basis in Q3FY22. Mining & quarrying followed by Electricity, gas, water supply & other utility services were the driver for growth in industry.
- The contraction in the agriculture sector is reflective of the impact the unfavorable weather conditions prevalent during the quarter that led to loss of output.
- The service sector output in the Q3FY22 was 2.4% lower than Q2FY22 and 8.2% more than a year ago. The easing of restriction has led to a fast rebound in this sector. The output of the sector has surpassed the pre-pandemic levels.

Sectoral Growth (Y-o-Y % Growth) for third quarter - at Constant Prices

At constant Prices	Q3FY20	Q3FY21	Q3FY22	Q3FY22 v/s Q3FY20
Agriculture, forestry & fishing	**4.9**	**4.1**	**2.6**	**6.8**
Industry	**-2.7**	**6.3**	**0.2**	**6.5**
Mining & quarrying	-3.5	-5.3	8.8	3.1

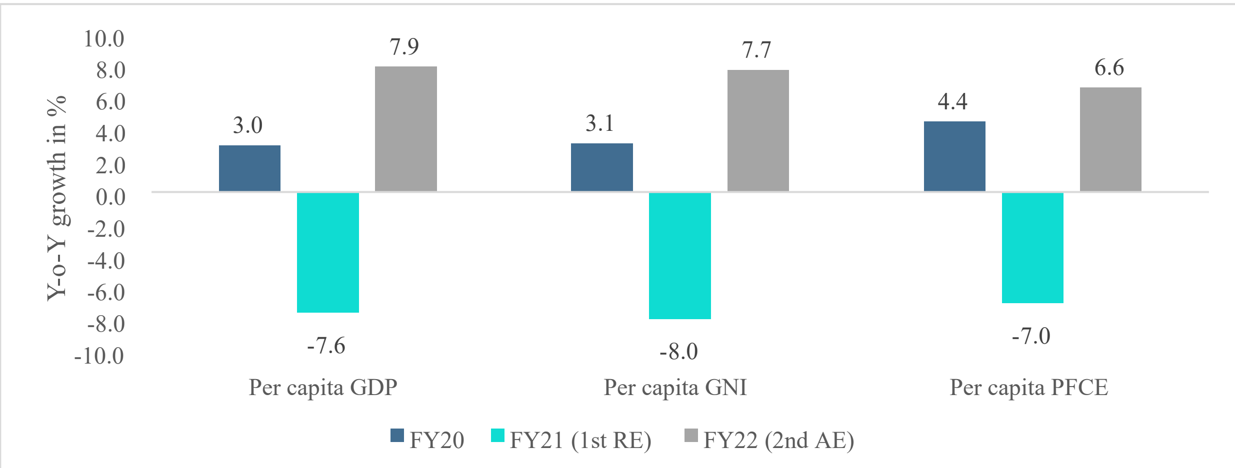
Manufacturing	-3.3	8.4	0.2	8.6
Electricity, gas, water supply & other utility services	-3.1	1.5	3.7	5.2
Construction	-1.1	6.6	-2.8	3.6
Services	**6.1**	**-0.9**	**8.2**	**7.2**
Trade, hotels, transport, communication & broadcasting	6.6	-10.1	6.1	-4.6
Financial, real estate & professional services	4.8	10.3	4.6	15.3
Public administration, defence and other services	6.9	-2.9	16.8	13.4
GVA at Basic Price	**3.2**	**2.1**	**4.7**	**6.9**

Source: MOSPI

Per Capita GDP, Income and Final Consumption

Gross Domestic Product (GDP) per capita is a measure of country's economic output per person. FY21 witnessed a significant de-growth due to the pandemic. However, in FY22 the economy is on path of recovery and the per capita GDP is estimated to grow by 7.9%. The growth is projected at 3.8% of CAGR between FY15 to FY22. The Gross national income (GNI) is also estimated to increase by 6.8 % in FY22. The per capita private final consumption expenditure (PFCE), that represents consumer spending, is likely to increase by 6.6% in FY22. Majorly, the FY22 reflects per capita growth due to a lower base.

Growth in Per Capita GDP, Income and Final Consumption (Y-o-Y growth in %)



Source: MOSPI

Concluding Remarks

The Reserve Bank of India (RBI) at its monetary policy meeting for FY23 concluded on 04th May 2022, increased the repo rate from 4% to 4.4% and continued with its accommodative policy stance. These decisions are made by the RBI in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation, while supporting growth. in RBI reiterated its emphasis on growth and economic revival.

The major headwinds to economic growth are escalating geopolitical tensions, elevated global commodity prices and shortages of key inputs. However, the bright spots for the economy are improving demand conditions, support from government capital expenditure and improving business confidence.

The recent geopolitical tensions between Russia and Ukraine has contributed to spike in crude oil and other commodity prices. India depends majorly on imports to meet up its crude oil needs. The surge in international oil prices and commodity prices is likely to result into broader price pressure. The impact on India's economy is likely to be felt through higher cost-push inflation and widening current account deficit apart from weakening private consumption. However, the overall economic outlook for fiscal 2023 will be supported by the continued infrastructure led spending by the central government. Continued high commodity prices and any disruption in economic activity due to increased infection rates will be key monitorable.

India – Resurgence in manufacturing sector and its expected impact on capital goods sector

The outbreak of Covid-19 severely affected the demand for capital goods in the country as business and industrial activities remained subdued for most part of FY21. Low capacity utilization rate and uncertainty caused by the pandemic forced most corporates to put their capex plans on hold which in turn impacted production of machinery and equipment required to build those capacities.

The Union budget 2022-23 has proposed a sharp 24% increase in capital expenditure with all time high amount, which is expected to boost the demand for capital goods in the country. This marks capital expenditure as a percentage of GDP at 2.5% which is the highest in 24 years (since FY99). The key components of capital outlay are railways and roads. Over half (51%) the capital outlay in FY23 is allocated to these segments. Spending on road transport is 58% more than in FY22.

Investments in power equipment's, renewable energy projects, oil & gas distribution, affordable housing, port development, railway DFC corridors, coupled with robust industrial activity will drive growth in capital goods industry in the near term. Moreover, several schemes by government to achieve the vision of Atmanirbhar Bharat such as Production Linked Incentives (PLI) is expected to encourage production in the country and hence bodes well for the capital goods industry.

Overview of Natural and Engineered Stone Industry

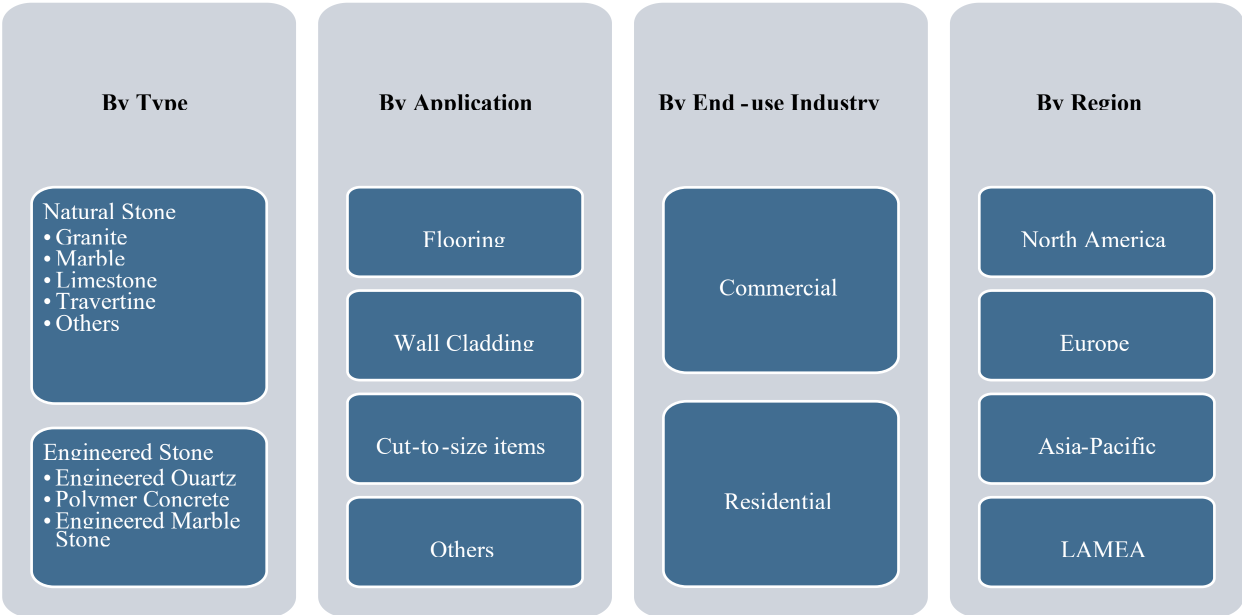
Natural stones are produced by complex geological processes and include a number of products such as granite, limestone, marble, slate, quartzite, onyx, sandstone, travertine, and others that are quarried from the earth. Natural stones are widely known for their uniqueness, aesthetic appeal, texture, color, and composition as no two natural stones are the same.

Natural stones have wide range of applications in large-scale constructions such as construction of government buildings, churches, monuments, and road construction. Previously, for residential construction projects, wood and brick was a non-debatable choice. However, as per recent trends, natural stone is widely used in residential construction owing to its excellent structural and decorative aspects. Some of the popular applications of natural stones in residential construction include atriums, fireplaces, countertops, bathrooms, entryways, and other surfaces. Natural stones are known for the sense of peaceful tranquility that they create and for their distinctive beauty. In addition to aesthetic appeal, natural stones are durable compared to other building materials, such as wood, they can last for decade, and require very little maintenance. Natural stones are also available in slabs that can be as large as 350x200 cm. These stones are available in a variety of finishes such as antiquated, leather, rugged, polished, and tumbled and in a variety of edges such as bull-nosed, beveled, and others.

Quartz, an example of engineered stone used in the countertop industry, is a composite material made up of crushed stone bonded by an adhesive. For instance, for countertops, the slabs are made from quartz crystals bonded with a resin binder. The engineered stone slabs are manufactured by bonding up to 93% natural quartz which is one of the hardest materials, and pigments, aggregates, and polymer resins are used to produce vibrant stone surface with excellent stain, heat, chip, and scratch resistance properties. Also, it is recommended that the engineered stone products should not be used for exterior applications as the direct exposure to sunlight can lead to fading. Owing to this, engineered stones are used for vanity tops, reception or bar counters, kitchen benchtops, upstands and splash backs.

Market Segmentation of the Natural and Engineered stones

The Natural and Engineered stones can be bifurcated into various segments depending upon their type, application, end use industries and region. We have studied the segmentation of the stones in the following manner:



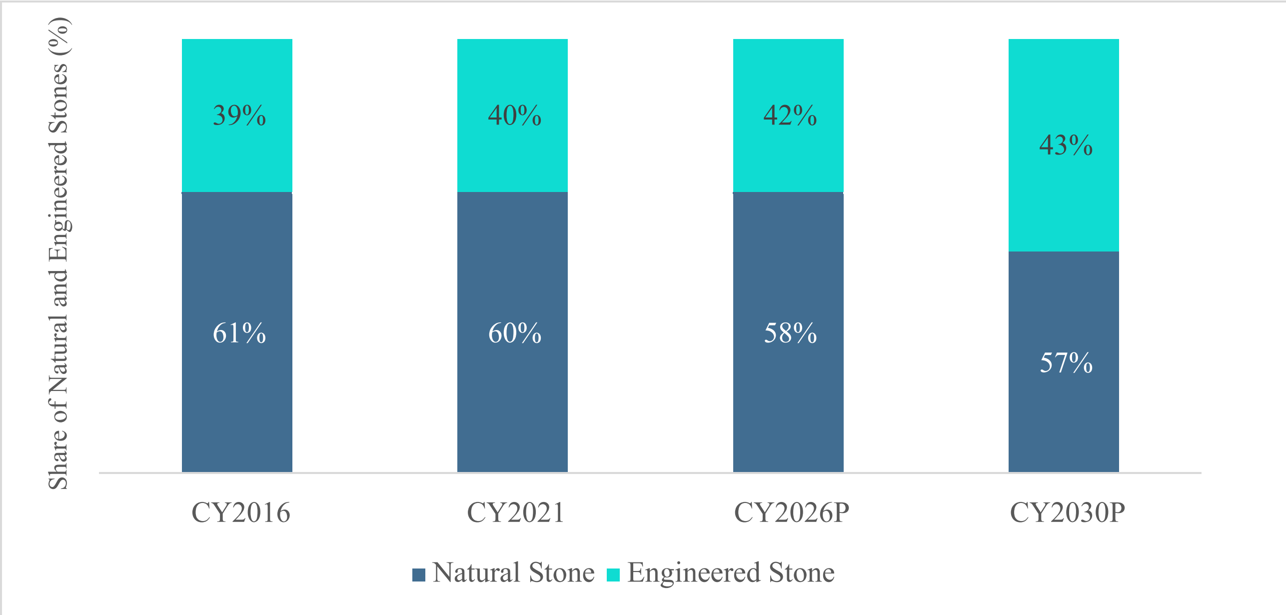
Market Segmentation by Type

Depending on the type, the stone market has been categorized into natural stone and engineered stone.

The global natural and engineered stone (combined) market accounted for $60,148 million in 2021 and is predicted to reach of $105,265 million by 2030.

In the year 2021, the natural stone segment accounted for a major 60% of market share with $35,999 million while the contribution of engineered stone segment stood at $24,150 million. However, in projected years between 2021 and 2026, the engineered stone is expected to grow at a higher CAGR of 7-8% as compared to natural stone which is expected to grow at a CAGR of 6-7%. This is mainly because the engineered stones are non-porous, strong, durable and stain resistant. The engineered stones are also available in various colors and designs which is making them a preferred choice.

Global Natural and Engineered Stone Market ($Million)



Source: Research Dive, CareEdge Research

Market Segmentation by Application

Based on application, the market has been classified into flooring, wall cladding, cut-to-size items, and others. Among these, the flooring segment accounted for the highest share of 52% of the total market and stood at $31,432 million in 2021 and is further expected to reach $57,107 million in 2030. Compared to engineered stones, natural stones occupied a larger share in the flooring segment in 2021. This is because, natural stone flooring is elegant, has superior durability, and is easy to clean. For instance, marble flooring endures smooth texture, dramatic veining, and high-gloss finish. Granite is also a popular choice for flooring as it ranks 7 on the Mohs scale and is harder than marble. Similarly, travertine flooring is used in hallways, shower stalls, living rooms, bathrooms, and laundry rooms.

Global Natural and Engineered Stone Market by Application ($Million)

Application	2016	2021	2026P	2030P
Flooring	23,382	31,432	45,176	57,107
Wall Cladding	12,498	16,598	23,575	29,527
Cut-to-size Items	5,858	7,441	10,094	12,175
Others	3,971	4,678	5,810	6,455
Total	**45,710**	**60,148**	**84,654**	**105,265**

Source: Research Dive, CareEdge Research

Market Segmentation by End-Use Industry

Based on end-use industry, the market has been classified into commercial and residential. Among these, the commercial segment accounted for ~50% of market share in 2021. However, by 2030 the share of the commercial segment is expected to decrease and account for 48% of the market while the share of residential sector is expected to increase from ~50% to 52%.

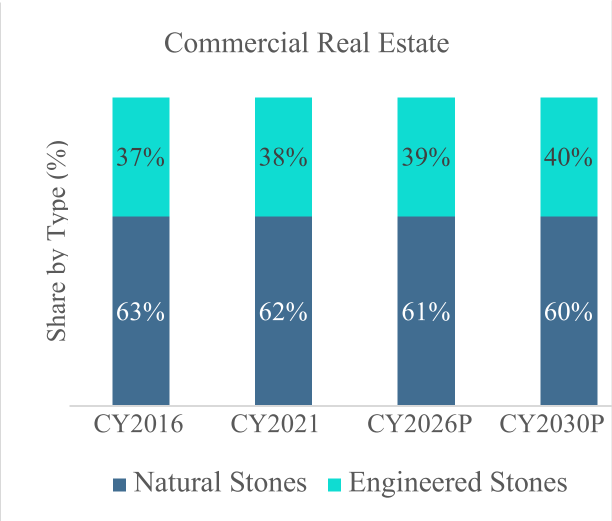
Global Natural and Engineered Stone Market by End-Use Industry ($Million)

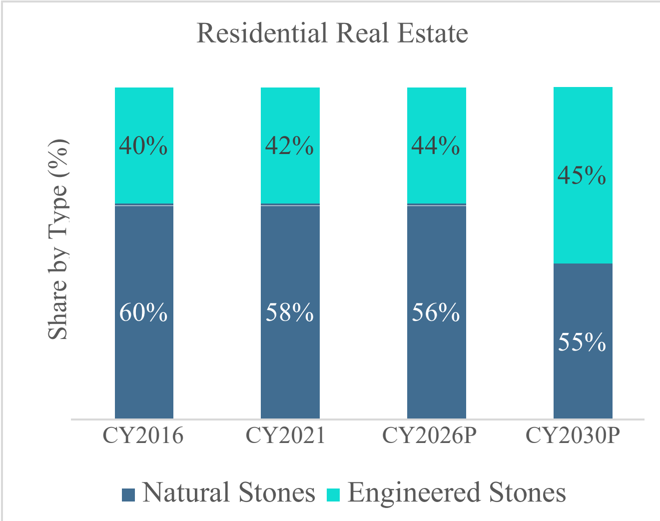
End-Use Industry	2016	2021	2026P	2030P
Commercial	23,344	30,086	41,438	50,611
Residential	22,366	30,062	43,216	54,654
Total	**45,710**	**60,148**	**84,654**	**105,265**

Source: Research Dive, CareEdge Research

The commercial construction projects such as construction of hotels, medical facilities, shopping malls, sports facilities, industrial structures, retail & grocery stores are expected to grow at a lower CAGR of 6-7% as compared to CAGR of 7-8% of residential segment between 2021 to 2026. This is mainly because residential construction activities are growing at a faster pace owing to growing population and government support for residential construction in countries namely India, Indonesia, United Arab Emirates, Spain, China.

End-Use industry bifurcation by Type





Source: Research Dive, CareEdge research

Market Segmentation by Region

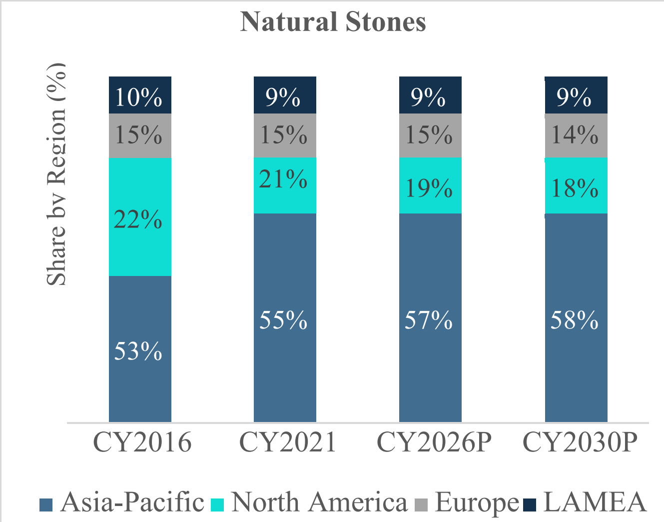
The Asia-Pacific natural and engineered stone market accounted for $33,226 million in 2021 and is expected to reach $61,569 million in 2030. This growth is majorly owing to the presence of large construction markets in this region namely China and India. In addition, the technological advancements in the construction sector are anticipated to drive the procurement for natural and engineered stone market in the Asia-Pacific region.

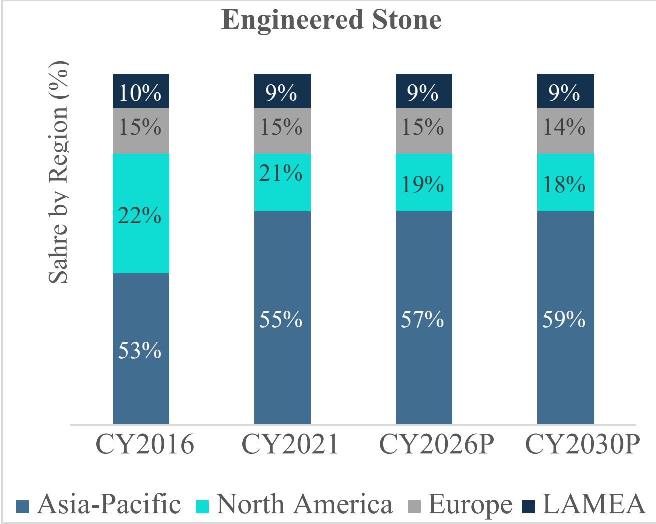
Global Natural and Engineered Stone Market by Region ($Million)

Region	2016	2021	2026P	2030P
North America	10,262	12,451	16,423	19,327
Europe	7,016	9,185	12,447	15,000
Asia-Pacific	24,039	33,226	48,292	61,569
LAMEA	4,393	5,287	7,493	9,369
Total	**45,710**	**60,148**	**84,654**	**105,265**

Source: Research Dive, CareEdge Research

Global Natural and Engineered Stone Market by Region





Source: Research Dive, CareEdge Research

<u>Natural Stone Industry</u>

Global Natural Stone Industry

The use of natural stone can be traced back to countless buildings, structures, and monuments that were-built thousands of years ago in different parts of the world and they have stood the test of time. Some of the examples of such structures include the Colosseum in Rome, the Mayan temples in Mexico, the great Pyramids of Giza, Egypt, and others. In addition, natural stone is a green building material as it is recyclable and can be used without any additional wall covering or finishes.

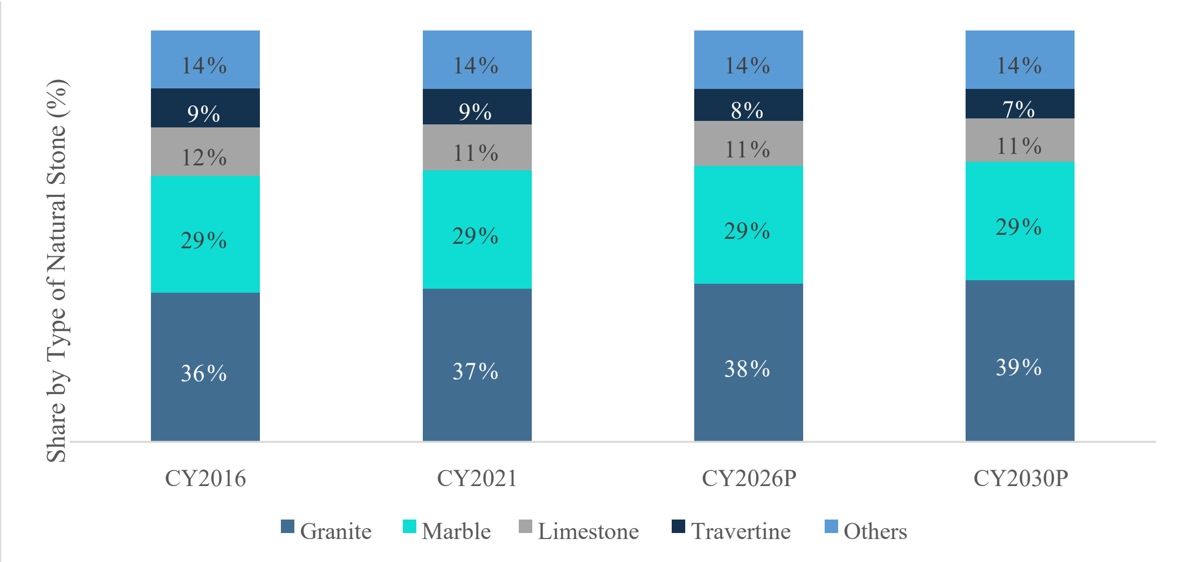
Marble is quarried from countries namely Italy, Greece, U.S., India, Sweden, China, and Germany. Among these, Italy is well-known for high-grade and luxurious marble. The Italian marble has high heritage as Italy has been a pioneer in perfect quarrying methods since ancient times. Some of the popular Italian marbles are carrara marble, calacatta marble, statuario marble, and others.

Current Scenario

In 2021, the global natural stone held a higher share of 60% of the total market as compared to engineered stone market. Its market grew at a CAGR of 5% from $27,991 million in 2016 to $35,999 million in 2021. It is expected that the market would grow at a CAGR of 6-7% between 2021 and 2026.

Under the natural stone segment granite has been the highest contributor followed by marble. The granite and marble segments collectively accounted for around 66% market share in 2021.

Global Natural Stone Market by Type ($Million)



Source: Research Dive, CareEdge Research

Granite

Granite is a hard-igneous rock that is granular and phaneritic in nature. Granite grew at a CAGR of 6% between 2016 and 2021. The market is expected to reach $23,733 million in 2030 from $13,432 million in 2021.

Marble

Marble is a popular metamorphic rock found in mountainous regions and is usually quarried in India, Italy, China, and Spain. The market for marble grew at a CAGR of 5% between 2016 and 2021, the market was valued at $10,312 million in 2021 and is expected to reach to $17,400 million in 2030. Marble is famous for its beauty, elegance, and timeless appeal. Many architectural projects including the historical ones are built using different marbles.

Region Wise Contribution

North America

The natural stone segment of North America was valued at $7,463 million in 2021 and grew at a CAGR of 3% from $6,293 million in 2016. Going forward, the North American market is expected to reach $11,103 million by 2030.

Under the natural stone segment granite and marble have been the major contributors in the North America market having around 66% share of the total market.

North America Natural Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Granite	2,276	2,783	3,693	4,363
Marble	1,797	2,138	2,765	3,201
Limestone	735	839	1,039	1,160
Travertine	594	645	753	798
Others	891	1,059	1,367	1,581
Total	**6,293**	**7,463**	**9,617**	**11,103**

Source: Research Dive, CareEdge Research

The demand for natural stone tiles and slabs for flooring, wall-cladding, and kitchen countertops is on an all-time high. Granite is popularly used as kitchen countertops in countries such USA, Canada and Mexico due to its upscale look and premium visuals. Even though it has ample of granite deposits, USA is the largest importer of granite due to factors such as access to wide range of variety and availability of lower costs from countries such as India and Brazil. As procuring granite from other countries became easier, it made the stones more affordable for local builders and households driving the demand further. Introduction of advanced processing methods has also had a positive impact on the demand for natural stones in the region.

Europe

The natural stone market in Europe has grown at a CAGR of 5% from $4,294 million in 2016 to $5,494 million in 2021. The market is estimated to reach $8,599 million by 2030. Granite accounted for the highest market at $2,044 million in 2021 followed by marble.

The diversification of usage of natural and engineered stone products and growing consumer interest in stone products for residential and commercial purpose such as flooring, kitchen countertops, and others are estimated keep the demand in Europe consistent.

Europe Natural Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Granite	1,549	2,043	2,786	3,371
Marble	1,220	1,567	2,080	2,466
Limestone	512	631	804	920
Travertine	400	467	559	606
Others	613	786	1,043	1,236
Total	**4,294**	**5,494**	**7,273**	**8,599**

Source: Research Dive, CareEdge Research

Asia-Pacific

Asia-Pacific natural stone market accounted for highest market share in 2021 ($19,883 million) and is anticipated to grow at a CAGR of 7-8% between 2021 and 2026. It is expected to reach $35,302 million by 2030. Asia-Pacific region has large number of natural stones producing countries such as India, China and others. Improved construction activities such as launch of mega projects and development of smart cities in countries such as China and India are growth indicators for natural stone market.

Asia-Pacific Natural Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Granite	5,333	7,425	10,854	13,887
Marble	4,205	5,700	8,120	10,184
Limestone	1,732	2,252	3,072	3,718
Travertine	1,393	1,723	2,219	2,550
Others	2,055	2,783	3,961	4,963
Total	**14,719**	**19,883**	**28,227**	**35,302**

Source: Research Dive & CareEdge Research

LAMEA

The natural stone market in LAMEA is analyzed across Brazil, Saudi Arabia, United Arab Emirates, South Africa, and rest of LAMEA. Brazil is one of the well-known granite producers in the world. Along with granite, Brazil has also emerged as popular producer of marble. In addition, Brazil is one of the leading exporters of natural stones to the United States. Dubai also has a huge demand for natural stones owing to huge number of construction projects and being the hub for architects, contractors, stone companies, builders and others.

LAMEA Natural Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Granite	974	1,180	1,683	2,112
Marble	768	907	1,260	1,550
Limestone	311	353	469	556
Travertine	253	272	341	383
Others	379	447	621	762
Total	**2,685**	**3,159**	**4,373**	**5,363**

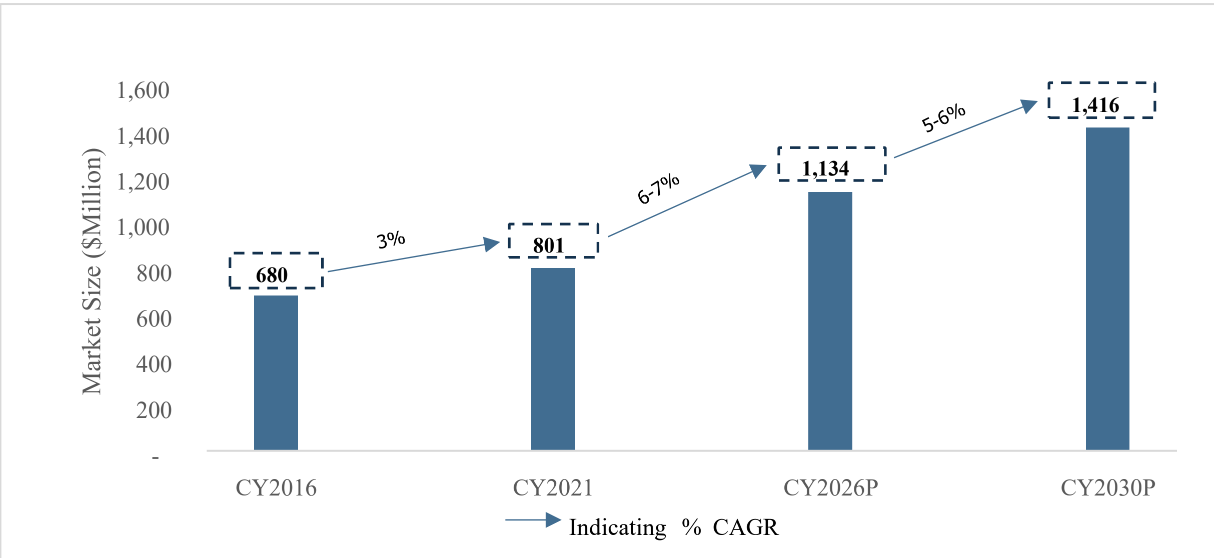
Source: Research Dive, CareEdge Research

UAE

Increased construction activities in the UAE region is expected to drive the natural stone market in the next few years. In Dubai, natural stones are widely used in applications such as luxurious hotels flooring, interior decoration, villas cladding and much more. The climate in the UAE generally favors stone floorings more compared to carpets. Although, marble and granite are very expensive flooring material and cost comparably more than other alternative flooring options like laminates and wood flooring, the trend of using engineered and natural stones in the country has gained popularity in recent years due to rapidly growing living standards and consumer demand. Such factors are further anticipated to have a positive growth in natural stones market, in the forecast time frame.

UAE's thriving construction and interiors industry is further set to propel the demand for natural stones. Being a tourist attraction, global events such as Expo 2020 drive the demand for natural stones in commercial segment.

UAE Natural Stone Market ($Million)



Source: Research Dive, CareEdge Research

UAE Natural Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Granite	246	299	435	556
Marble	196	232	329	412
Limestone	80	90	123	148
Travertine	62	67	86	98
Others	97	114	162	202
Total	**680**	**801**	**1,134**	**1,416**

Source: Research Dive, CareEdge Research

Performance of key end use industries

Commercial

Natural stone flooring is a tile cut from natural stone blocks. Natural stone floorings such as marble, travertine, limestone, granite, quartzite, slate, and sandstone are been used for thousands of years in homes and buildings. Natural stone floorings are durable and elegant, owing to which, they are used both in indoor and outdoor flooring of homes and buildings.

The commercial natural stone market was valued at $18,508 million in 2021, and is projected to reach $30,239 million by 2030.

Non-residential building activities, such as the development of offices, motels, and public safety facilities, are driving demand growth in many locations, particularly in North America.

The construction industry in the Asia Pacific area will benefit from increased demand for infrastructure, particularly healthcare complexes and hospitals. Government initiatives and programs, as well as FDI investments, will help to accelerate the non-residential sector's market expansion, hence assisting the construction stone industry's growth. Due to expanding urbanization and increased consumer spending power, the Asia Pacific region is also driving worldwide market expansion. Product differentiation and durability are also helping to strengthen the stone sector.

Residential

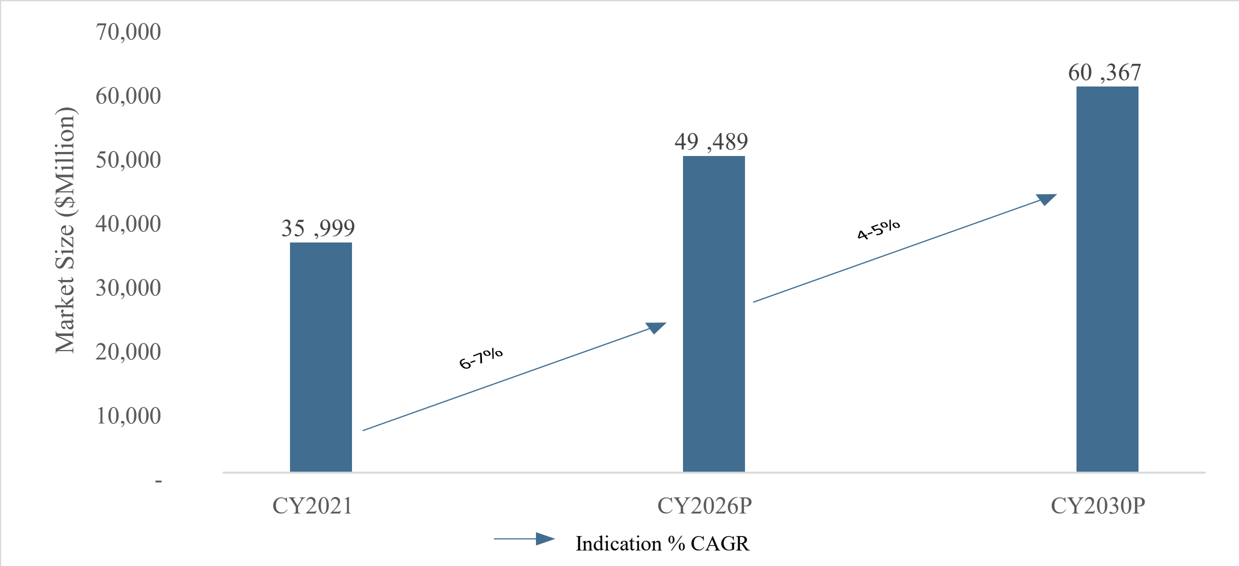
The residential natural stone market was valued at $17,491 million in 2021, and is projected to reach $30,128 million by 2030.

Natural stones have numerous practical advantages when it comes to construction and building. These stones impart a sense of tranquility and distinctive beauty to the construction. Natural stone goods are more durable than artificial stone products, and they can last for decades with little upkeep. As industrialized countries such as the United States continue to recover from the recession, the population in developing countries has more discretionary income. These factors are propelling the expansion of home renovation projects and will continue to do so in the coming years. The building and infrastructure industries are driving the industry forward. The construction business is benefiting from rising consumer disposable incomes, particularly in developing countries like China and India. Increased urbanization in these areas is propelling market expansion even faster. The growing need for residential, commercial, and public infrastructure is also propelling the market forward.

Outlook

The global natural stone industry has showed signs of recovery after in decline in 2020 and is expected to grow at a CAGR of 6-7% between 2021 and 2026. Further, the industry is expected to grow at 4-5% CAGR between 2026 and 2030.

Outlook of Global Natural Stone Industry ($Million)



Source: Research Dive & CareEdge Research

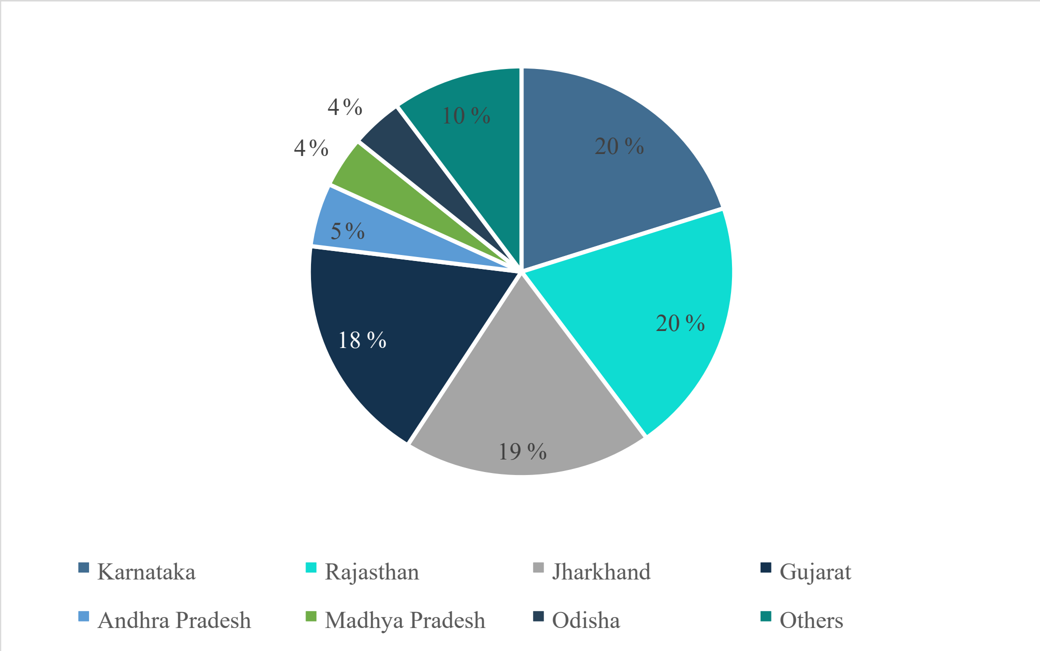
The global economy was impacted by the Covid-19 pandemic. Country-wise lockdowns and delays in manufacturing and delivery of natural stone used in residential and commercial areas hampered the growth of the natural stone sector. As the pandemic subsiding, the global economy has started to show signs of recovery. The building industry is expanding as a result of rising housing investment and construction spending in countries such as the United States, Japan, India, and others, which is fueling the worldwide natural stone market. Furthermore, the global market is predicted to develop due to increased urbanization and population expansion, which is expected to increase demand for natural stones for flooring and wall cladding applications.

Indian Natural Stone Industry

The market for natural stones in India is expected to grow considerably in the coming few years. India has rich reserves of stones due to its diverse geographical location. India holds 3rd place in the global production of natural stones, and holds nearly 11% share of the global natural stone market. Rajasthan is the most important and a major contributor to country's mining business and holds nearly 90% share in India's sandstone sector. Natural stone deposits in Rajasthan can be widely observed in Kota, Bharatpur, Tonk, and Sawai Madhopur, among others.

India has rich mineral deposits and has one of the largest granite reserves in the world. It accounts for over 20% of the global granite reserves. The granite production mainly takes place in and around the states of Andhra Pradesh, Telangana, Rajasthan, Karnataka, Tamil Nadu, Uttar Pradesh, Odisha, Madhya Pradesh, and Gujarat among others.

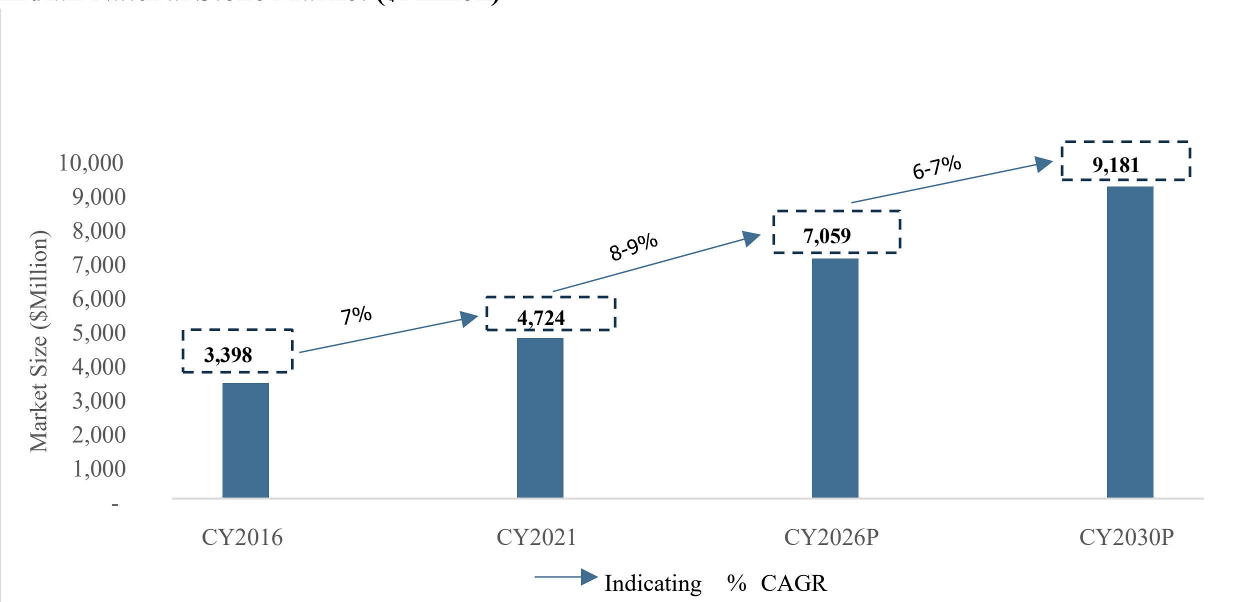
State wise break up of granite resources in India



Source: Indian Minerals Yearbook 2019

In 2021, the Indian natural stone market stood at $4,724 million growing at a CAGR of 7% between 2016 and 2021. Going forward, the market is expected to reach $9,181 million in 2030. However, the growth could be affected due to factors such as illegal mining, lack of environmental clearances or irregularity in the allotment process of the quarries as these issues have cropped up in the recent years. Also, lack of support from government or introduction of new policies can impact the growth of the industry. For instance, for the Indian granite industry 2019 was a tough year. According to industry players, issues like lack of policy support from the government and implementation of GST resulted in a slowdown in the exports of the country. In FY20 for the first 10 months, granite export from India was valued at US$ 619 million and the overall export for FY20 was marginally higher as compared to FY19.

Indian Natural Stone Market ($Million)



Source: Research Dive & CareEdge Research

Covid -19 impact:

The industry was impacted by the Covid-19 pandemic majorly owing to unprecedented lockdown imposed across the country with ban on non-essential activities. The Indian stone industry had suspended their entire operations related to production, manufacturing, and transport, import-export of various natural stones such as granite, marble, limestone, and others owing to Indian government directives to contain the pandemic. All quarry activities, allied logistics, administrative offices, and natural stone processing facilities were ceased which also affected the construction sector owing to non-availability of raw materials required for flooring, countertops, and others. The operations were affected for a brief period of time but the Government resumed the services across sectors in a phased manner limiting the damages to the industry.

Performance of key end use industries

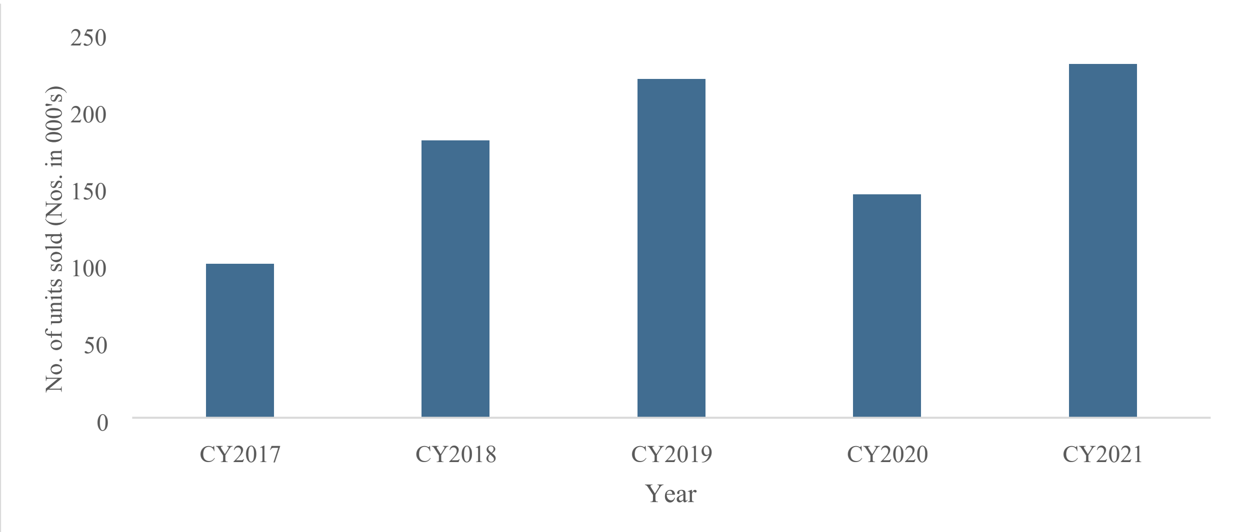
Residential Real Estate

Current demand in residential real estate

The coronavirus crisis hit when the Indian economy was already slowing. The nationwide lockdown during the June 2020 quarter rendered developers unable to complete ongoing projects which resulted in a sharp fall in new launches. New launches, which indicate the new inventory coming on-stream, fell sharply in 2020.

The second half of the year saw recovery in the residential real estate segment due to interventions from the RBI and the Central Government on the regulatory side and developers too tried to speed up construction of properties underway. Prospective homebuyers responded positively due to a convergence of factors such as low interest rates, shift in perception of owning a house, lockdown-induced need for open spaces. Resultantly, an increase in ready-to-move inventory was witnessed from the September 2020 quarter onwards. Except for the blip in Q1FY21 which coincided with the second wave, new launches increased continuously in FY22.

Trend in sales in residential real estate (in 000's)



Source: Industry Sources, CareEdge Research

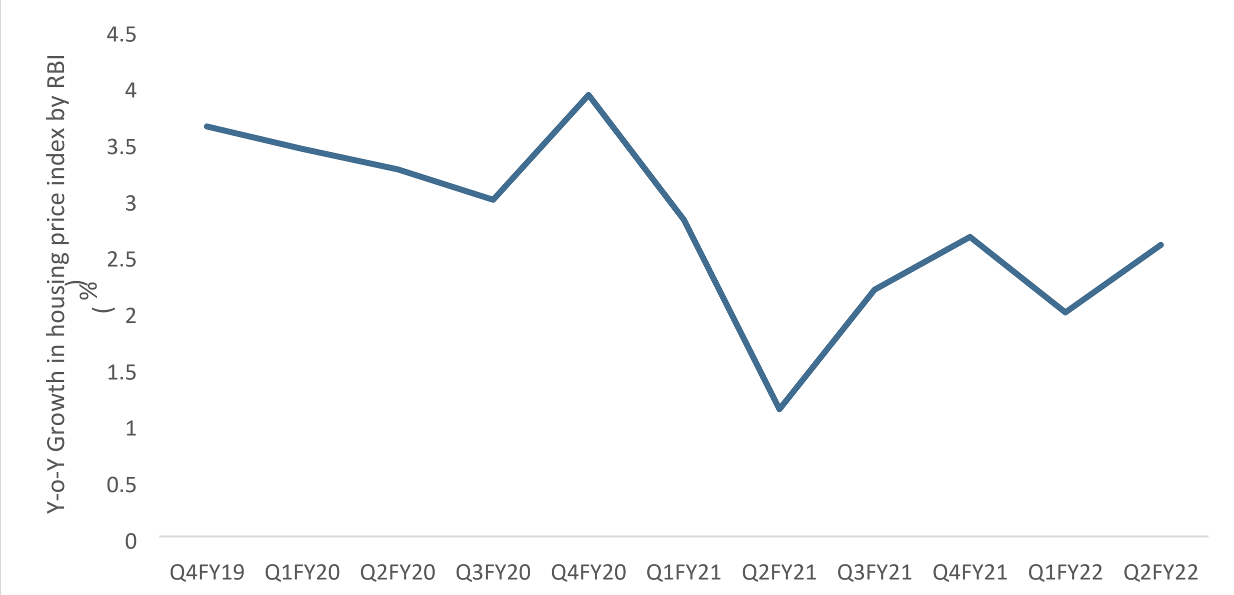
Note: Figures are approximations

The first half of FY21 witnessed a drop-in sale of residential units by more than half, according to industry estimates. Developers were able to sell a combined 60,000 units. These were the lowest sales in more than a decade. The coronavirus crisis, its ensuing income uncertainty, poor consumer sentiments and restrictions on mobility collectively impacted sales of housing units.

Property Prices in residential real estate

RBI's Housing Price Index

All India House Price Index by the Reserve Bank of India



Source: RBI

The All India Housing Price index by the RBI shows that average housing prices across India recorded an increase in both, absolute and growth terms. The index recorded a growth during the H1FY22 over the corresponding year-ago period and housing prices were 2.6% higher during Q2FY22indicating that demand is indeed on the rise and buyers are willing to pay more when compared to last year.

Commercial Real Estate

Projects under implementation in commercial real estate

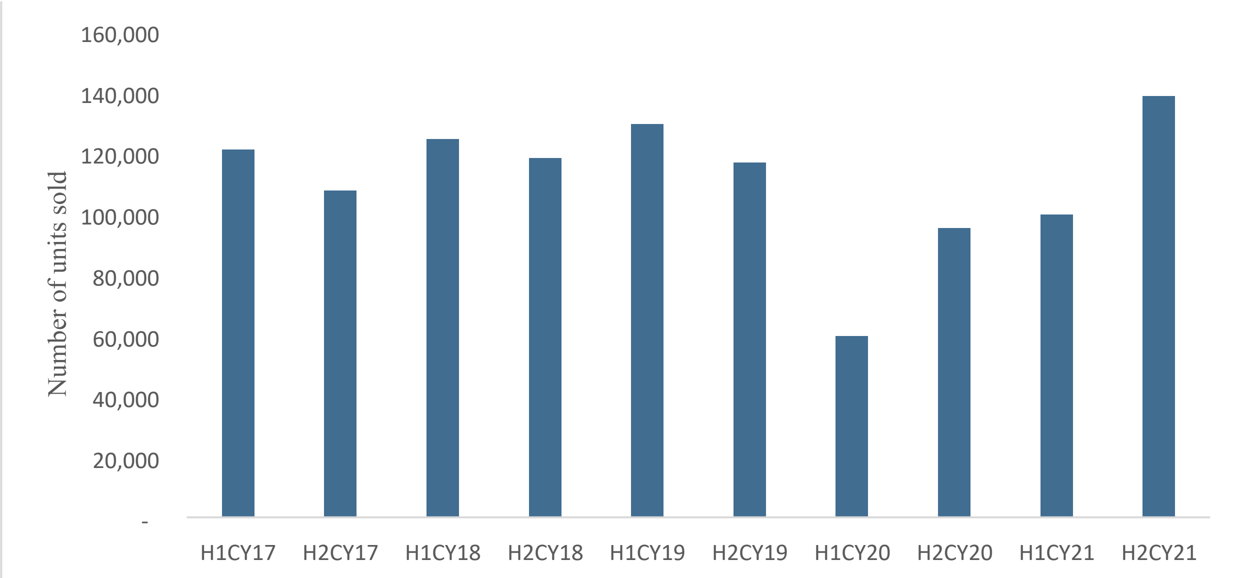
The value of projects under implementation increased for three consecutive years ending 2020-21 after falling in 2018-19. While the progress on completions slowed during the pandemic and this too contributed to projects under implementation being higher in 2020-21, construction of projects in the commercial space picked up over the past five years due to increased opportunities in metros following a higher presence of multinational companies. The investments are likely to have been driven by demand for grade 'A' offices.

The industry witnessed an increase in vacancy rates post the outbreak of the coronavirus and vacancy rates averaged 13-16% throughout the pandemic. However, an increase in the vaccination drive, coupled with reduced intensity of new variants, the return to office is increasing and with it, vacancy rates are likely to edge lower.

Transactions in commercial space

In the pre-pandemic period, the demand for commercial real estate was on an upswing. Demand as indicated by sales of commercial real estate units remained elevated over 100,000 units in each of the six-month periods prior to the pandemic. The demand for commercial real estate dipped in the first half of CY20 on account of the coronavirus pandemic. However, a resumption to normalcy and improved vaccinations enabled unit sales to increase gradually from H2CY20 to H2CY21.

Trend in sales of commercial real estate



Source: Industry Sources, CareEdge Research
Note: Figures are approximations

Construction

Before the onset of the pandemic the Government of India had unveiled the National Infrastructure Policy (NIP) covering various sectors and regions indicating that it is relying on an 'infrastructure creation' led revival of the country's economy.

The NIP which covered rural and urban infrastructure entailed investments to the tune of Rs. 111 trillion to be undertaken by the central government, state governments and the private sector during FY20-25. Now with that the economy has almost opened up with most of the migrant workers too are returning, infrastructure development will be relied upon to propel the Indian economy from the current slowdown.

This in turn is expected to offer significant opportunities to EPC players in India. Significant investment in infrastructure development, real estate will boost construction activities and act as a catalyst for growth of EPC companies in India.

Key growth and demand drivers

Residential real estate:

Rise in Number of Nuclear Families

- According to 2001 census, out of 19 crore households, 10 crore or a little over 50 % were nuclear households. In the 2011 census, the share grew to 52.1% - 13 crore nuclear out of 24.9 crore households.
- An increase in nuclear family will therefore lead to an eventual increase in demand for residential units which would in turn lead to rise demand for natural stones as natural stone is widely used in wall construction and wall cladding.

Relocations

- The pandemic made consumers from the middle income and above categories aware of shortfalls of their present residences. As the pandemic forced individuals to spend all their time within the confines of their homes, most families became acutely aware of lack of space or limitations with respect to facilities offered in their complexes. We expect such families, mostly from metros and tier-1 cities, to be motivated to relocate and make new purchases due to the want of more open space, modern amenities, proximity to their workplace and desire to relocate closer to extended families and friends. Increase in demand for residential homes would have a positive impact on the demand for interior designing resulting into an increased demand for natural stones.

Shift in buying behaviour

- The coronavirus pandemic has shifted the attitude that resulted in consumers buying new homes. One, the financial uncertainty brought on by the pandemic is estimated to have led to many consumers considering a home as an essential financial security. Consumers are also giving a serious thought to how they live and may want to move to larger homes considering their family size and the need to accommodate work-from-home and study-from-home. The demand for projects with good architecture, uncluttered space and recreational activities for children and elderly is projected to increase.

Commercial real estate:

Increasing population to result in increased workforce

- China's (most populated country in the world) population grew at a rate of 12% from 1.25 billion in 1999 to 1.4 billion in 2019 whereas India's population increased by 32% from 1.04 billion to 1.37 billion during the same period. India accounts for the second largest populated country in the world and rising population will result in more individuals joining the workforce. A higher number of employees will create more demand for office space and construction of more office spaces leading to higher commercial real estate demand which will result into increase in demand for natural stones.

Growth in e-commerce to be key driver for warehousing

- The e-commerce industry is likely to be the demand driver for the warehousing industry. Unlike most sectors, the e-commerce industry benefited from the coronavirus pandemic. Even consumers who were averse to using e-commerce websites to shop were forced to do so as retail stores remained shut and malls weren't allowed to operate. The reliance on online marketplaces selling groceries and medicines also increased and in times of distress, discounts and offers offered by these companies made them more attractive to consumers. The shift in buying habits of consumers is unlikely to change after the departure of the pandemic and this will create the demand for more storage facilities for online marketplaces.

Key challenges

Delay in Shipping and rise in marine freight

- Container shortages have been reported at the originating ports across all countries. This is due to an overwhelming amount of material arriving and insufficient resources to handle the flow such as lack of workers at the ports to load and unload and less truck driver to take the containers inland and bring them back disrupting the global logistics system.
- The shortage of containers has also resulted in increased waiting periods and increased marine freight. The rise in cost is especially detrimental for countries where the major form of transport is by sea. The high freight makes up a significant amount of the CIF export price. Usually, an export order is awarded at a fixed price with tight margins wherein the transportation cost is also included. Even a marginal increase in transportation cost impacts the profitability of the players. It is difficult for international players to endure such high total-product costs given the substantial growth in transportation expenses over the last two years. The price is anticipated to remain high for at least the next two years. Maintaining customers and orders with such high sea freight is a major challenge for stone export businesses.

Lack of Technological Upgradation

- The stone sector is facing an industrial upgrade challenge. The penalty of ignoring environmental protection will be revoked again in the near future as an industry with substantial environmental damage. Stone processing firms must adapt their previous comprehensive management, which overlooked environmental protection, if they are to develop sustainably. As a result, upgrading processing equipment and infrastructure is critical to the stone industry's long-term development. Upgrades necessitate a significant financial investment by businesses. It is a significant burden for businesses to update equipment and infrastructures in the current climate of low earnings and severe competition in the stone product industry. Given the uncertainties surrounding future government policies, businesses face a difficult task in making investment decisions.

Unorganized players

- The real estate industry has a significant presence of smaller players. The high share of unorganized players made the industry susceptible to working capital and liquidity issues during demonetization and the coronavirus pandemic. The presence of small firms, coupled with reliance on labor, makes the industry vulnerable to such shocks.

Illegal mining in parts of India

- Granite, in India is classified as a minor mineral under the MMDR Act 1957 and its reserves and leasing regulations are governed by the governments of respective states. However, the Indian granite mining has suffered due to illegal mining. In 2019, the mining activities suffered as the quarries which did not have environmental clearances were shut by the government. This also led to shortage of granite in the market which subsequently led to raw material shortage for granite processors. Also, the lack of environmental clearances by the granite quarries aggravated the raw material shortage issues.
- In Tamil Nadu and Karnataka, a number of quarries were shut as they lacked the environmental clearances and the granite processors were forced to source the granite blocks from other states or even countries. The sourcing of raw material of from other states and countries increased their transportation cost and had an adverse effect on their competitiveness in international market.
- This issue of illegal mining and lack of environmental clearance in the country could be a point of concern in future as well which could lead to stone shortage.

Outlook of Indian Natural Stone Industry

The Indian natural stone industry is expected to grow at a CAGR 8-9% between 2021-2026 reaching $7,059 million in 2026. In the projected years, the industry is expected to grow at a CAGR of 6-7% between 2026 and 2030 to reach $9,181 million.

The resumption in sales and launches indicates that consumer sentiment surrounding investing in a property is picking up. With the reopening of the economy the rate of absorption of office spaces is expected to increase as offices have started to open up again and employees are returning back. This augurs well for the natural stone industry as construction of new real estate would also lead to demand for natural stones such as marble and granite.

Overview of the Engineered – Quartz Industry

Quartz, an engineered stone, is a composite material formed of crushed stone that is held together by an adhesive. Slabs of quartz crystals are kept together by a resin binder in the case of counters. The majority of quartz is made using a 93% crushed stone to 7% resin and coloring ratio. Engineered quartz is gaining significant popularity as they are durable and non-porous. For instance, the engineered quartz is resistant to dents, abrasion, scratches, and acid.

Engineered quartz is available in different styles, designs, and prices that makes it a popular choice among home renovators and contractors. When these quartz aggregates are compressed to slabs, they endure similar texture and color as that of granite or natural slate.

One of the key benefits of engineered stone is that it can be cut into tiles which can be used for flooring and provides sophisticated finish. Also, engineered stones are resistant to mold and mildew due to which they are also suitable for wet rooms of commercial and residential constructions. The engineered stones can also be used to create luxurious fireplaces owing to its modern and sleek finish that meet the architectural styling requirements.

Current scenario

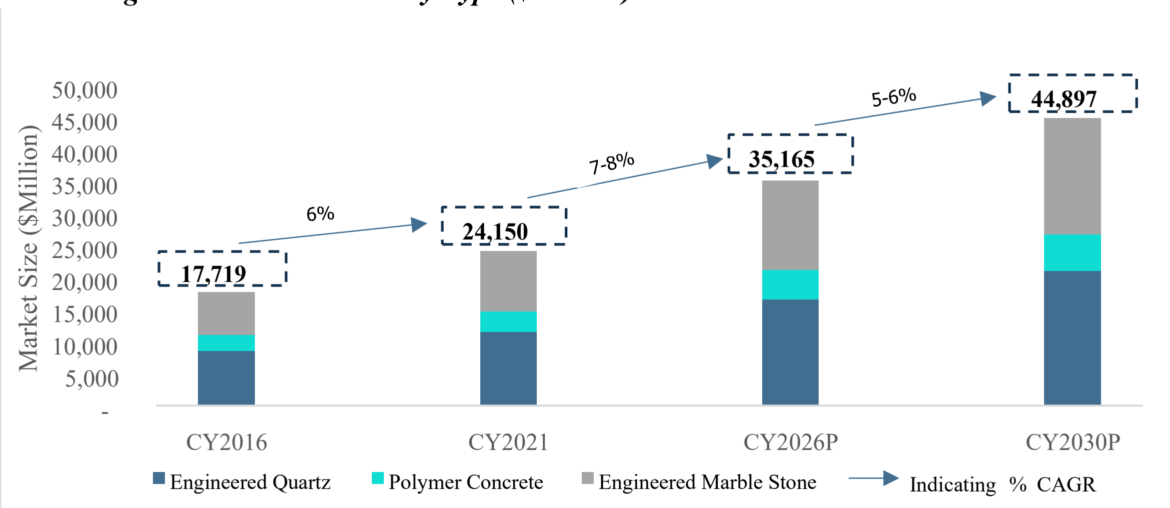
The global engineered stone market grew at a CAGR of 6% and reached $24,150 million in 2021 from $17,719 million in 2016. The engineered quartz has been the major contributor in the engineered stone segment followed by the engineered marble stone.

In the year 2020 and 2021, the industry was impacted by the price fluctuations of quartz. The average price of quartz increased by 12% and 3% in the year 2021 and 2020 respectively. Rise in shipping cost and raw materials were the primary reason for the same.

Global situations like Ukraine – Russia war, trade wars and pandemic lead to surge in uncertainty in global economy. The war between Ukraine and Russia has triggered a humanitarian crisis and economic slowdown in the global growth. The commodity price rise due to the war has led to projections of inflation at 5.7% in advanced economies and 8.7% in emerging economies. The developing economies are projected to have inflation projections of 1.8 and 2.8 percentage points higher than projections for last January.

However, in the projected period from 2021 to 2026, the engineered stone market is expected to grow at a CAGR of 7-8% and reach $35,165 million, thereafter the industry is expected to reach $44,897 million in 2030.

Global Engineered Stone Market by Type ($Million)



Source: Research Dive, CareEdge Research

Region Wise Contribution

***North* America**

The engineered stones market in North America is expected to have a high growth in Canada in the forecasted years 2022 to 2030. The growth is majorly attributed to increased construction and remodeling activities, and growing demand for strong, natural, and aesthetic looking countertops for kitchens.

The segment is also expected to expand in the USA driven by increase in demand for building and construction activities. The rise in demand for countertops in new construction as well as renovations is expected to boost the engineered stone market in the USA. Countertops is the dominant application segment for engineered stones. Engineered stones surface countertops have gained popularity due to their durability and stain resistance. They can be used primarily for kitchen countertops, bathroom countertops, and outdoor applications as they are durable and non-porous. Thus, growth in the building and construction activities is estimated to boost the demand for engineered stones. Rise in commercial activities in the country is leading to construction of commercial buildings and institutional buildings further driving the demand for engineered stones.

The engineered stone segment was valued at $4,988 million in 2021 which grew at a CAGR of 5% from $3,969 million in 2016.

North America Engineered Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Engineered Quartz	1,911	2,377	3,211	3,847
Polymer Concrete	548	666	879	1,033
Engineered Marble Stone	1,510	1,944	2,716	3,343
Total	**3,969**	**4,988**	**6,806**	**8,223**

Source: Research Dive, CareEdge Research

Europe

The engineered stones are known for their color, structure, texture, and appearance which offer broad spectrum of choices to its consumers are estimated to drive the engineered stones market share. Engineered stone offers a wide spectrum of choice that can be matched to any desired appearance or ambience. To add to it, the high expectation in terms of the quality are major growth driving factors. The engineered stone segment was valued at $3,691 million in 2021 and is expected to grow at a CAGR of 6-7% between 2021 and 2026.

Europe Engineered Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Engineered Quartz	1,311	1,760	2,443	2,999
Polymer Concrete	381	500	678	816
Engineered Marble Stone	1,030	1,430	2,053	2,587
Total	**2,722**	**3,691**	**5,174**	**6,401**

Source: Research Dive, CareEdge Research

Engineered quartz has been the highest contributor in the engineered stone market in Europe in the historical period. In future, the engineered marble stone is expected to grow at a higher CAGR between 56%. Engineered marble's features like high strength and durability can drive its growth in future.

Asia-Pacific

Asia Pacific's engineered stone segment was valued at $13,343 million in 2021. It is expected to grow at a CAGR of 8-9% between 2021 and 2026 and is estimated to reach $26,268 million by 2030.

Improved building construction activities along with the expansion & modernization of building stock in developing countries and growth in the housing units & non-residential structures are estimated to keep the demand consistent for engineered stone in the Asia-Pacific region. In addition, growing demand for engineered stone countertops for non-residential sectors such as hotels, universities, schools, and hospitals would drive the demand in this region.

Asia-Pacific Engineered Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Engineered Quartz	4,490	6,365	9,477	12,306
Polymer Concrete	1,302	1,805	2,624	3,341
Engineered Marble Stone	3,528	5,173	7,965	10,620
Total	**9,320**	**13,343**	**20,065**	**26,268**

Source: Research Dive & CareEdge Research

China

Under the Asia-Pacific region, the Chinese engineered stone market was valued at $3,679 million in 2021, and is projected to reach $7,650 million by 2030.

China Engineered Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Engineered Quartz	1,245	1,760	2,702	3,593
Polymer Concrete	351	484	725	945
Engineered Marble Stone	982	1,435	2,279	3,112
Total	**2,577**	**3,679**	**5,705**	**7,650**

Source: Research Dive, CareEdge Research

LAMEA

The engineered stone market in LAMEA grew at a CAGR of 5% and stood at $2,128 million in 2021. It is expected to reach $4,005 million in 2030.

The expansion in the construction sector in countries namely Abu Dhabi, Qatar, Saudi Arabia, and Dubai is estimated to propel the engineered stone market demand in the coming years.

LAMEA Engineered Stone Market by Type ($Million)

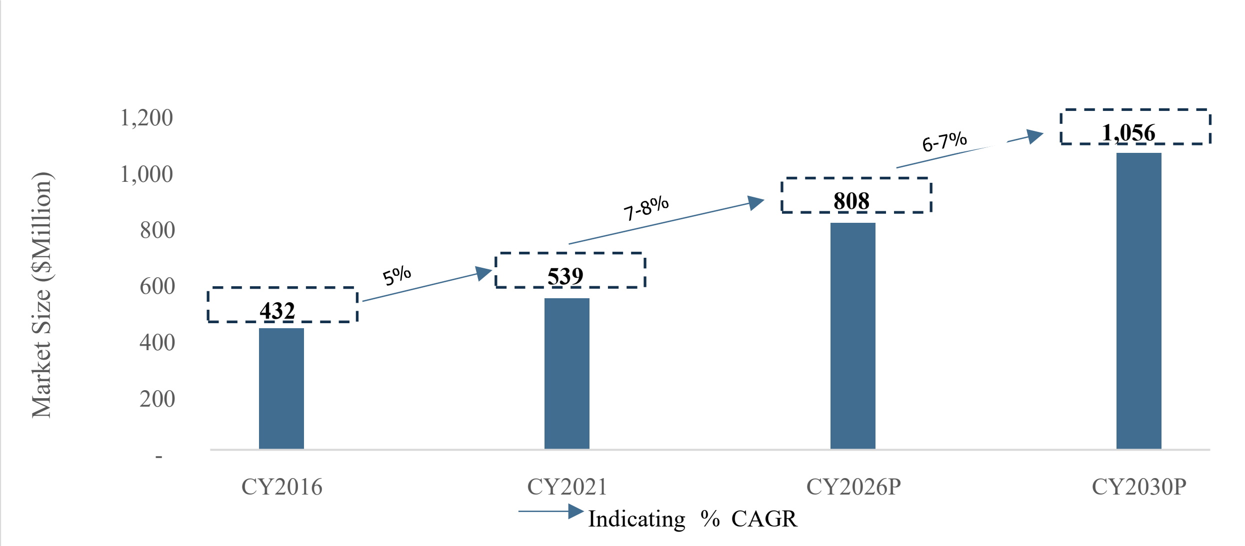
Type	2016	2021	2026P	2030P
Engineered Quartz	823	1,016	1,475	1,878
Polymer Concrete	237	286	405	506
Engineered Marble Stone	647	826	1,240	1,621
Total	**1,707**	**2,128**	**3,120**	**4,005**

Source: Research Dive, CareEdge Research

UAE

Under LAMEA, the UAE engineered stone market was valued at $539 million in 2021, and is projected to reach $1,056 million by 2030.

UAE Engineered Stone Market ($Million)



Source: Research Dive, CareEdge Research

Dubai and Gulf region have evolved as the global business hub with corporates having their offices in this region. It is also developing as the center for export and for various activities around the world. Engineered stone industry in Dubai is expected to benefit from the following key demand drivers:

- In Dubai, infrastructure is developing at a rapid pace. The application of engineered stone is expected to witness growth in Dubai due to increase in infrastructure activities like building metro stations and various tourist attraction places.

- Dubai is situated centrally and has new manufacturing lines established strategically at Free Trade Zone and near port. This positioning of the manufacturing units near the port leads to optimization of freight and transportation charges as compared to manufacturing units established in landlocked areas that use rail and roads for transportation. The companies and production facilities located in Free Trade Zones are exempt from income tax and VAT. The income tax exemption and free trade privileges serve as a key factor in attracting investments.

- Given the impact of global trade war between countries such as US and China, Dubai is a growing manufacturing destination providing a suitable alternative.

  In 2018, the US had imposed very high anti-dumping duties on imports of quartz surface products from China. The US Department of Commerce, in 2019 announced its final Anti - dumping Duty (AD) and Countervailing Duty (CVD) rates on Quartz surface products from China.

Anti -Dumping Duty:

Exporter	Producer	Estimated weighted average dumping margin(percent)
Foshan Yixin Stone Co., Ltd	Foshan Yixin Stone Co., Ltd	333.09
Foshan Yixin Stone Co., Ltd	QingYuan Yue Feng Decoration	333.09
Suzhou Colorquartzstone New Material Co., Ltd., Shanghai Meiyang Stone Co., Ltd., CQ International Limited	Suzhou Colorquartzstone New Material Co., Ltd. and Shanghai Meiyang Stone Co., Ltd	265.81
Non-Individually Examined Exporters Receiving Separate Rates.	Producers Supplying the Non-Individually-Examined Exporters Receiving Separate Rates.	297.40
China-Wide Entity	China-Wide Entity	336.69

Source: USITC

Countervailing duty:

Company	Subsidy rate (percent)
Foshan Hero Stone Co., Ltd.	190.99
Fasa Industrial Corporation Limited	190.99
Foshan Yixin Stone Co., Ltd	45.32
Foshan Nanhai Julang Quartz Co	190.99
Qinguan Yuefeng Decoration	190.99
All Others	45.32

Source: USITC

The rates announced on the imports of quartz slabs range between 265.81%-336.69%. Along with this, countervailing duty in the range of 45.32%-190.99% was also announced on the imports of quartz surface products. The imposition of AD and CVD duties was to protect US businesses from dumping of quartz surface products at less than fair value by China. Quartz surface products consist of slabs and other surfaces made up from a mixture of materials consisting of predominately silica and resin binder. The duties imposed also includes but is not limited to, other surfaces such as countertops, bar tops, work tops, tabletops, flooring, wall facing, shower surrounds, fire place surrounds, mantels and tiles however, it does not cover quarried stone products such as granite, marble, soapstone, quartzite and crushed glass.

This opened up opportunities for other countries to increase their exports of quartz surface products to the US. However, to restrict other countries from selling quartz surface products at lower prices in the US market, The Department of Commerce under the United States International Trade Commission (USITC) issued a notice imposing anti-dumping duty on India and Turkey.

Anti -Dumping Duty:

Country	Exporter/Producer	Estimated weighted average dumping margin(percent)
India	Antique Marbonite Private Limited; Shivam Enterprises (Shivam); and Prism Johnson Limited (Prism Johnson)	5.15
	Pokarna Engineered Stone	2.67
	All Others	3.19
Turkey	Belenco Diş Ticaret A.Ş¸ and Peker Yu¨zey Tasarımları Sanayi ve Ticaret A.Ş¸	5.17
	All Others	5.17

Source: USITC

Countervailing duty:

Country	Exporter/Producer	Subsidy rate (percent)
India	Antique Marbonite Private	1.57
	Pokarna Engineered Stone	2.34
	All Others	2.17
Turkey	Belenco Diş Ticaret A.Ş¸ and Peker Yu¨zey Tasarımları Sanayi ve Ticaret A.Ş¸	2.43
	All Others	2.43

Source: USITC

The Anti – dumping duty in the range of 2.67% - 5.15% and of 5.17% was imposed on India and Turkey respectively applicable from June 2020. Also, countervailing subsidy in the range of 1.57% - 2.34% and of 2.43% was imposed on quartz surface products from India and Turkey respectively with effect from June, 2020.

As per the World Trade Organization (WTO) norms on anti-dumping duty, 'Anti-dumping investigations are to end immediately in cases where the authorities determine that the margin of dumping is insignificantly small (defined as less than 2% of the export price of the product). Other conditions are also set. For example, the investigations also have to end if the volume of dumped imports is negligible (i.e. if the volume from one country is less than 3% of total imports of that product — although investigations can proceed if several countries, each supplying less than 3% of the imports, together account for 7% or more of total imports)'.

UAE does not have significant production facilities at present, hence there's a lesser likelihood of such antidumping measures being imposed on it. This makes UAE an attractive base for global stone manufacturers to setup production facilities.

UAE Engineered Stone Market by Type ($Million)

Type	2016	2021	2026P	2030P
Engineered Quartz	206	255	378	490
Polymer Concrete	61	74	108	137
Engineered Marble Stone	164	210	322	429
Total	**432**	**539**	**808**	**1,056**

Source: Research Dive, CareEdge Research

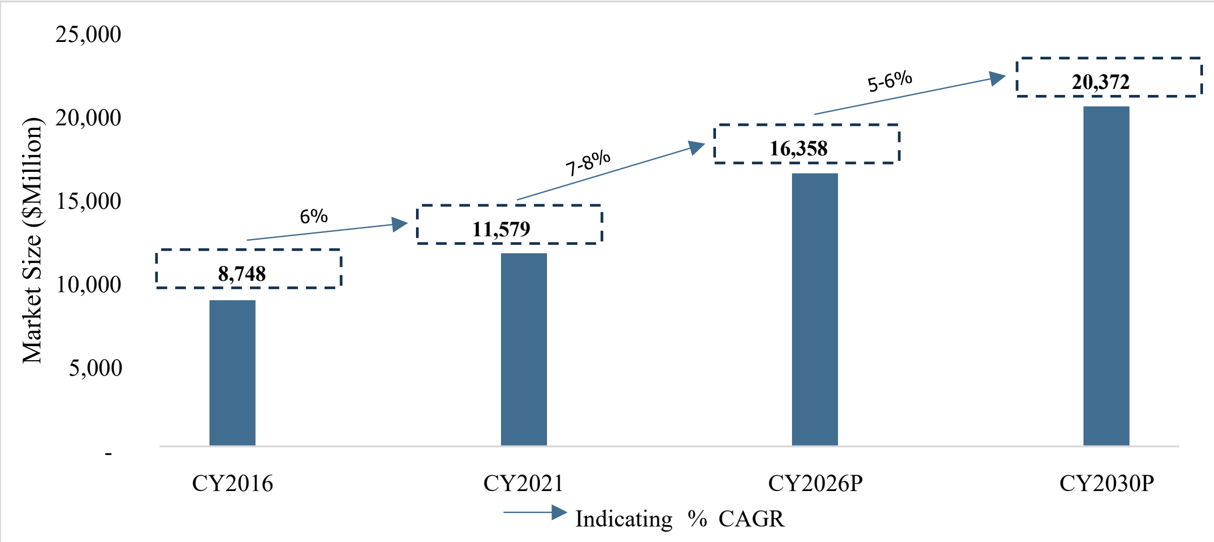
Performance of key end use industries

Commercial real estate

The commercial engineered stone market was valued at $11,579 million in 2021, and is projected to reach $20,372 million by 2030.

The construction industry of countries such China, India and UAE are expected to drive the growth in the industry. The central government of China is expected to focus on transportation and energy, emphasizing increasing connectivity within city clusters.

Global Commercial Engineered Stone Market ($Million)



Source: Research Dive, CareEdge Research

The UAE's construction sector is also anticipated to attain moderate post-pandemic growth over the coming years. The significant commitment and resources of the UAE government would lead to development of different mega-projects opportunities for construction and engineering companies.

Increased awareness of pollution reduction is opening doors for the manufacture of recyclable engineered stone, which is projected to drive the global market over the forecast period. Some engineered stone items, such as porcelain sinks, liquor bottles, wine bottles, beer bottles, and perfume bottles, include up to 70% recyclable material, allowing for product recycling. Engineered stone's eye-catching look and durability are also increasing its application in works of art, which is expected to provide many potential prospects in the global market. Engineered stones are highly resistant to heat and scratch, and are highly durable thus widely being used in the fireplace. Owing to the high living of standard and luxurious lifestyle, the global market for engineered stone is anticipated to grow at a significant CAGR in near future.

Residential real estate

The residential engineered stone market was valued at $12,571 million in 2021, and is projected to reach $24,525 million by 2030.The use of engineered stone in the residential industry is expected to grow at a CAGR of 8-9% between 2021 to 2026. This is mainly due to the growing popularity of engineered stone owing to its durability, aesthetic appearance, and application in residential flooring is estimated to drive the market demand.

Engineered stone has been a popular alternative for household applications such as vanities, kitchen countertops, walls, and flooring due to its exquisite aesthetic. Countertops have evolved from basic platforms which were made of concrete earlier.

Now, the countertops are multi-purpose platforms and have expansive utilities. Engineered quartz is one of the major stones that is used in manufacturing countertops. Demand for trendy designs, modular kitchens and decorative cabinets or shelves are increasing the demand of the engineered stone. It is projected that through 2024, the engineered stone will be the fastest growing major countertop material. The rising share of housing space devoted to kitchens, bathrooms and interest in home renovation will continue to drive the countertop market in future.

Outlook

The global engineered stones market is expected to reach $44,897 million by 2030. The industry is expected to grow at a CAGR of 5-6% between 2026 and 2030.

As the global economy is recovering from the pandemic, the industry has started to witness a gradual uptrend. Rising per-capita income, rapid expansion of building sectors, and existence of a high number of engineered stones in regions such Asia-Pacific would further boost demand. Increase in residential renovations, as well as surging need for redeveloping old building constructions will further contribute towards growth of the industry. Engineered stones are environmentally friendly as they contain 93% crushed leftover stone from quarries or natural stone beds and their demand would be benefitted with increasing need for environmentally friendly and sustainable building products for various applications such as kitchen worktops, flooring, raised flooring, internal cladding, vanity tops, and bathroom furnishings for residential and commercial construction projects.

Indian Engineered Stone Industry

Engineered quartz was declared as a minor mineral by the Government of India in 2015. More than half of quartz in India comes from the state of Andhra Pradesh. Other states where quartz is available are Chhattisgarh, Gujarat, Rajasthan, West Bengal, Karnataka and Jharkhand. The industry manly consists of unorganized players. Besides catering to the Indian market, India is a major exporter of engineered or quartz stones in countries like the U.S, Europe and U.A.E. The demand for engineered stones has increased tremendously owing to its wide range of applications, cost effectiveness, and many other characteristics such as strength, durability, and availability in various color pellets.

The Indian engineered stone market was valued at $2,165 million in 2016 and grew at a CAGR of 8% to reach $3,190 million in 2021. The industry is expected to grow at a CAGR of 9-10% in the projected years between 2021 to 2026. By the year 2030, the Indian engineered stone market is expected to reach $6,870 million.

In the FY2020-21 the industry was negatively impacted by the Covid-19 leading to disruptions in production and transportation process. As the lockdowns were imposed throughout the country, laborers migrated back to their native towns creating a shortage of labor. The infrastructure and customer base were also affected by the pandemic as the customers wanted to check the look and feel of the products which was not possible during the time of lockdowns.

Performance of key end use industries

Residential Real Estate

The residential real estate segment was performing exceptionally well during the first half of the previous decade on account of growth in the economy and the services sector which resulted in migration to metros and propelled the demand for housing units in these areas.

However, problems related to elevated property prices, delayed launches by developers and stalled projects triggered loss of confidence towards the sector.

In India, around three houses are built per 1,000 people per year as against the required construction rate of five houses per 1,000 individuals per year, as per industry estimates. This indicates that there is significant untapped potential for growth in the sector. While the current shortage in housing in urban areas is pegged at around 10 million units, the shortage in the affordable housing space is expected to be much higher considering the population belonging to that strata. Along with this, increased economic growth and the uptick in India's service sector has created additional demand for office space, which in turn is likely to result in greater demand for housing units in nearby vicinity.
The Indian housing market has also been appreciating steadily over the past decades. It is expected that this will result in the industry incurring investment, both in the short term and the long term. The Government allowed FDI up to 100 per cent through automatic route in the construction sector. This helped attract investments in the sector. The growing flow of funds through the FDI route in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

Commercial Real Estate

The Indian real estate industry witnessed a slowdown in the years prior to the pandemic due to the general slowdown in the economy. However, this had little impact on the demand for office space. The demand for office space grew by leaps and bounds for the better part of the past decade with the unavailability of good quality supply being the only impediment to higher growth. We estimate the demand for office space, particularly in metros, to have outstripped supply prior to 2020.

With the residential real estate becoming end-user driven, the commercial real estate emerged as a more attractive investment proposition for individual investors as well as institutional funds. Due to the investment potential of commercial spaces, developers are also responding to the demand.

Construction

The construction sector is the country's second-largest economic segment after Agriculture. The sector contributed 7.6% to the national GVA (at constant price) in FY21.

The order book of construction companies is dependent upon the capital expenditure in the economy. Broadly, the investments can be classified into infrastructure, real estate and industrial construction.

Historically, infrastructure creation, spread across sectors such as roads and highways, telecom, airports, ports, power, oil and gas and railways has dominated the investments. Increase in Infrastructure demand & government initiative shows the potential for catapulting India to the third largest construction market globally.

Key growth and demand drivers

Global situations and Anti-dumping duties

- Historically, China has been the largest global exporter of engineered stones. Factors such as large - scale manufacturing, low cost and government support has helped China to dominate the global exports market.
- In 2018, the US – China trade war started and the tensions negatively impacted consumers in both countries. The US imposed anti-dumping duty on Chinese imports and in retaliation, China also responded by imposing high tariffs on the US goods. The tariffs imposed by both the countries led to decline in imports and exports to and from US and China. However, trade diversion to other countries due to the anti-dumping duty on China benefitted manufacturers of the other countries. The decline in imports from China opened opportunities for other countries to export goods to the US.
- In addition to the trade war, the disruption caused by Covid-19 led to the manufacturers adopting the 'China Plus One' strategy. The China Plus One strategy focuses towards shifting away from China and diversify their sources of production.

- Countries like Vietnam, Thailand, Indonesia, Malaysia and India are major attractions for the manufacturers because of low cost labor.

Growth in economy coupled with increased urbanization to boost demand

- The Indian economy has experienced steady growth in the past decade and is expected to be one of the fastest growing economies in the post-pandemic era
- India's urban population is expected to reach over half a billion by 2025 from an estimated 461 million in 2018.
- Rising income and employment opportunities have led to migration to urban areas thereby creating greater need for real estate in major Indian cities. A rise in need for real estate would also create demand for engineered stones because of its multipurpose uses such as kitchen countertops, flooring, wall cladding, cut-to-size items, etc.

Net absorption of office space in commercial real estate

- After dropping around 60% in Q1CY17 mainly due to demonetization in November 2016, the net absorption witnessed a five-year high in Q1CY19. While the net absorption continued witnessing strong growth until February 2020 (before outbreak of coronavirus), post the outbreak many new leasing deals have been pushed back by couple of months and are also being renegotiated for the removal of lock-in periods and downward revision of rentals. Bengaluru, Mumbai and Delhi NCR accounted for nearly 75% of the net absorption in Q1CY20, which was led by IT/ITeS sector. Precommitments for Q1CY20 accounted for 50% (4.9 msf) of the net absorption for the same period.

City-wise net absorption in India's office market

City	Q4FY20 (mn sq ft)	Q1FY21 (mn sq ft)	Q2FY21 (mn sq ft)	Q3FY21 (mn sq ft)	Q4FY21 (mn sq ft)	Q1FY22 (mn sq ft)	Q2FY22 (mn sq ft)
Bengaluru	2.7	0.5	2.7	1.4	2.2	5.2	1.01
Chennai	0.9	0.1	0.2	0.9	0.4	0.5	0.7
Delhi NCR	1.6	0.5	0.2	1	1.1	1.2	1.4
Hyderabad	0.9	1.2	1.5	2.8	1.1	1.6	1.1
Kolkata	0.02	-	0.02	0.2	0.1	-	0.03
Mumbai	2.1	0.5	0.3	0.9	0.2	2.5	1
Pune	0.4	0.6	0.5	1.1	0.5	0.6	0.6
Total	**8.6**	**3.3**	**5.3**	**8.2**	**5.5**	**11.7**	**5.9**

Source: Industry Sources & CareEdge Research

City-wise absorption rate is higher in metros than in tier II and III cities on account of a higher presence of offices and multinational companies in these regions. Net absorption in India's overall office market, which is driven by metros, witnessed a fall of 33% on a sequential basis during Q4FY21. During this period, around 5.5 million square feet of office space was leased. When compared to the same period during the previous year, net absorption accounted for 64% of that in the Q4FY20 quarter.

Development of attractive and aesthetic infrastructure

- Due to its elegant appearance, quartz stone has been a popular choice for home applications such as vanities, kitchen countertops, walls, flooring etc. with the rise in demand for residential and commercial real estate, the demand for these applications will also tend to rise.

Growth in construction and building industry to push demand for engineered stones

- As the construction activities rise, properties such as non-porous and durability makes engineered stones suitable for applications in hospital food facilities, canteens and commercial buildings, railway and metro stations.
- Quartz can be produced in large size and is non-porous in nature allowing it to be used in wet areas such as washroom, swimming pool, shower and bath tubs, etc.

Demand from tier-2 and tier-3 cities to be on an upswing

- E-commerce companies were already growing by leaps and bounds prior to the pandemic mainly due to increased penetration and demand from metros. As a result, most warehousing space occupied by these companies was near or in metros and tier 2 cities such as Mumbai, Delhi NCR, Bengaluru, Chennai, Ahmedabad, Kolkata, Hyderabad and Pune.
- However, with growing absorption of online retail in India, the demand from smaller towns and cities will be on an upswing. E-commerce companies will consider investing in warehousing space in these cities to ensure seamless last-mile deliveries which would further benefit the engineered stone industry.

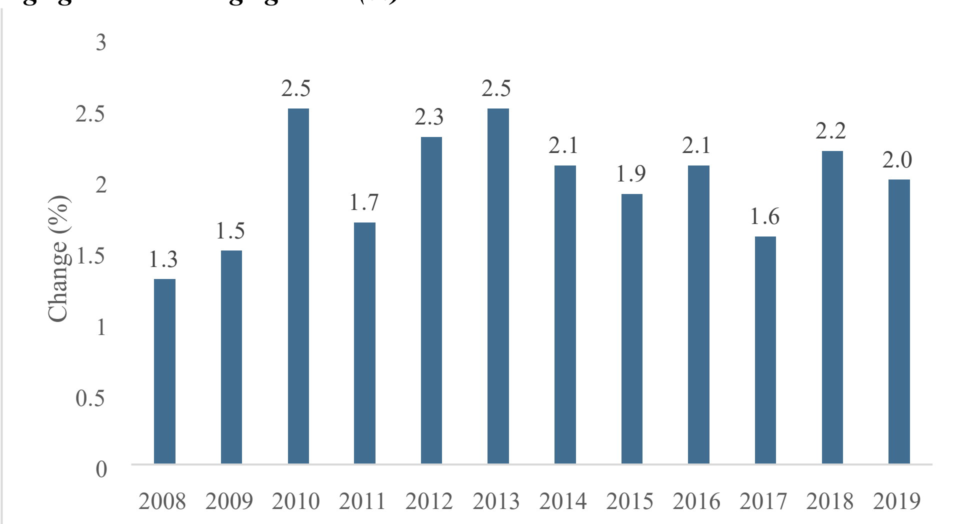
Hygienic and resistant to bacteria growth

- The engineered stones are also resistant to bacteria growth and thus help in maintaining hygienic environment, which is an important factor driving the engineered stone market. An engineered stone is not only visually appealing but is very robust and thus increases its use in work of art which in turn is anticipated to create several growth opportunities.

Labour Cost advantage

- Globally, in the years preceding the Covid-19 pandemic the growth in real wages has witnessed a fluctuating trend, wherein China stood out with a constant rise in wages, which more than doubled during the period 2008-19. Among the advanced G20 economies, wage growth was accelerated by Republic of Korea followed by Germany. Among the emerging G20 countries, all countries except Mexico experienced a significant positive growth in wages over the period.

Annual average global real wage growth (%)



Source: International Labour Organization's Global Wage Report 2020-21, CareEdge Research

However, it is observed that developing countries such as India, China continued to have lower minimum wages compared to developed countries such as US, UK and Germany.

- India benefits from having lower minimum wages as there is availability of large labour pool and almost half its population is of working age. A majority section of the working population is involved in the unorganized sector working for small scale businesses. Due to its low wage structure, India enjoys a competitive advantage over other countries.

Key challenges

Availability of substitutes

- There are other alternative materials available in the market such as tiles, laminate, hardwood flooring and soft flooring like carpet which are gaining popularity among people as these materials are ready to use and do not require any additional coating. Also, the cost of alternative flooring materials is cheap compared to engineered stones which makes these materials even more preferable among people with low income.

Health related issues

- Engineered stone is a mix of ground natural stone and resin. Like much of the earth's crust, natural stone contains crystalline silica, and when pulverized during fabrication or processing it becomes easy to inhale, or "respirable." Exposure to respirable crystalline silica (RCS) causes inflammation and, over time, permanent lung scarring. This condition, known as silicosis, can lead to tuberculosis, lung cancer, chronic bronchitis, autoimmune disorders, and kidney disease.
- Engineered quartz counters pose a higher risk than natural stone, because workers are exposed to dust that is more than 90 percent silica. By comparison granite may contain up to 50 percent, and some varieties of marble and limestone may contain no silica at all. Workers in manufacturing— those opening bags of ground quartz or mixing raw materials—have a high risk of exposure to RCS. But those in quartz countertop fabrication who are cutting, sawing, grinding, and drilling into the material face risks as well.

Highly Competitive Intensity

- The engineered stone industry is highly competitive due to factors such as low entry to barriers, easy availability of raw materials and limited initial capital investment which leads to large inclusion of regional and unorganized players

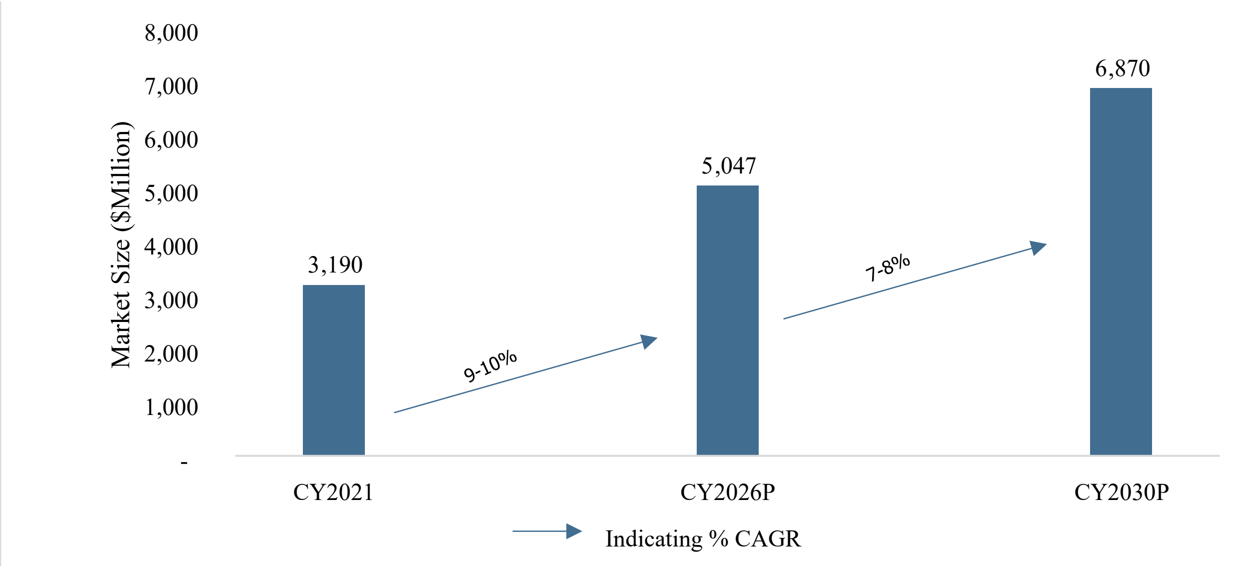
Fluctuation in raw material prices

- Prices of quartz have fluctuated significantly in the last few years. Increase in shipping costs and expensive sand mix, are some factors leading to a rise in quart prices. There has been an unprecedented rise in the market price of resin due to Covid-19 pandemic related issues like supply chain issues, production difficulties and shortage of labor.
- Polyester which forms a major share of the total raw materials used for engineered stones also saw fluctuations in the prices. In 2020, the average polyester prices decreased resulting because of lower energy prices. In 2021, the average polyester prices increased due to rise in raw material prices of resin because of higher energy prices affected by the pandemic.

Outlook of Indian Engineered Stone Industry

The Indian engineered stone industry was valued at $3,190 million in 2021 and is expected to grow at a CAGR of 9-10% between 2021-2026 to reach $5,047 million in 2026.

Outlook of Indian Engineered stone Industry



Source: Research Dive & CareEdge Research

The outlook for the natural segment is stable with a positive upside in the medium term. Like natural stones, the engineered stone industry is also linked to commercial and residential real estate industries. Going forward, with hybrid working environment, design specifications for homes are likely to be altered as there will be higher demand for flexible homes that are capable of functioning as offices and classrooms if required. This would result in increased penetration of engineered stones to be used in interior designing. Under commercial real estate, the hospitality segment is expected to register a gradual pick-up over the coming years as the sector recovers from the effects of the pandemic. This would turn out well for engineered stones as they are widely used in swimming pools, food facilities, walls, canteens, kitchen countertops, etc.

Key Players

Global Natural and Engineered Stone Players

1. **Cosentino Spain:**
   Cosentino is a family owned company that was founded in 1979 in Spain. It produces innovative surfaces that can be used for indoor as well as outdoor designs.

   The company deals in natural and engineered stones like quartz, granite, marble, limestone and travertine. Some of the uses of the surfaces provided by Cosentino include kitchen countertops, claddings, bathroom flooring, facades.

   It offers over 200 colors, unique designs and a range of thickness in the stones. The surfaces provided by the company are resistant to stains and easy to maintain.

   Cosentino has four segments, namely – Silestone, Dekton, Sensa and Scalea. Each of these segments provide unique surfaces made of different materials.

2. **Caesarstone Ltd:**
   Caesarstone Ltd. was founded in the year 1987 in the state of Israel. It was incorporated in 1989 and got listed on NASDAQ in March 2012.

   It started as a manufacturer of high end engineered surfaces, primarily countertops and now it sources and designs engineered quartz, natural stone and porcelain products. The products are largely countertops, vanities and are used in other interior and exterior spaces. It is also a reseller of countertops that are mainly used in commercial and residential buildings and has become one of the largest providers of engineered quartz surfaces.

Caesarstone designs its products in wide range of colors, textures, thickness and finishes. Its products are sold in over 50 countries and it generates substantial portion of its revenues from United States, Australia and Canada. In the year 2021, Caesarstone's sales in US market accounted for 47.4%, in Australia (including New Zealand) accounted for 18.4% and in Canada accounted for 13.1%.

3. **Cambria USA:**
Cambria was founded in the year 2000 and is headquartered in Minnesota, United States. It is a family owned business and is a leading quartz surface producer.

Cambria focuses on pure, natural quartz surface products like countertops, fireplace surrounds, floor tile, etc. It is believed to be a premier source for expansive design palettes and their quartz surfaces reportedly showcase strength, are nonabsorbent and stain and scratch resistant. These surfaces are also believed to be durable, maintenance free and nonporous.

Cambria has more than 2000 employees across North America and has 32 facilities that includes a state of art slab manufacturing facility, fabrication and distribution centres.

4. **LX Hausys:**
LX Hausys was founded in the year 1947 in Korea and now it has become the largest building material company in Korea. The company has different segments like Building & Decorative material, Industrial film and Automotive material & Components.

It deals in engineered stones like quartz and provides different products that can be used in kitchens and bathrooms like windows, coated glass and flooring. It is present in North America, Europe, Asia pacific and LAMEA.

5. **Vicostone**
Vicostone was established in the year 2002 and is based in Vietnam. It is a pioneer in manufacturing engineered stones in Asia.

Its quartz based engineered stones are produced from about 90% pure natural quartz and are available in more than 130 designs and wide color palette. Its quartz surfaces can be used in interior applications like countertops, wall paneling, flooring, bathroom vanities. Etc.

The company has five production lines of compound stones that utilize technology transferred from Breton S.p.A (Italy). Vicostone holds certifications like National Sanitation Foundation for providing safe surfaces for food preparation environments, healthcare facilities and GreenGuard certification for being free of volatile organic compounds. It also has passed the Microbial resistance (D6329-98) test which states that Vicostone surfaces meet standards to prevent growth of bacteria.

Indian Natural and Engineered Stone Players

1. **Pokarna Ltd:**
Pokarna Ltd. was founded in the year 1991 in India and offers a wide range of natural stones. The company has a start to end procedure which involves extracting, cutting, shaping and polishing granite. Today, Pokarna Ltd. is one of the leading exporters of granite and largest exporter of quartz in India.

The company’s product range includes tiles, slabs and cut to size natural quartz and granite. The quartz manufactured by the company is used in countertops, wall cladding, furniture and flooring. Pokarna Ltd is also exclusive partners with IKEA for measurement, supply and installation of made to measure quartz surface worktops in India.

Pokarna Ltd. has 15 mines and 2 state of art manufacturing facilities of Granite and Quartz in Telangana.

2. ARO Granite Industries Ltd:

Aro granite started its operations in the year 1991 in India for processing of polished/flamed granite tiles and marbles. It is largest exporter of processed granite in India and exports to over 50 countries across the world.

The company has a wide product range across granite and quartz. Granite product offering includes tiles, slabs and cut to size while quartz product offering includes slabs and tiles.

Aro granite has an installed capacity of 7,35,000 square meters per year for granite slabs. It also has an installed capacity for granite tiles of 3,60,000 square meters per year. The company also processes Quartzite stone in its Hosur plant which has a production capacity of 50,000 square meters per year. The company has a 100% Export Oriented Unit in Tamil Nadu and a new unit in Jaipur as well which was established in 2019. The company’s major exports markets are USA, Poland, Germany, Italy, Australia and Slovakia.

3. Esprit Stones Pvt Ltd:

Esprit stones manufactures engineered stone like quartz and natural stone surfaces. It has a state of art factory in Udaipur and a 1,00,000 sq. ft plant which is set up in a 6-acre area. It has products in a wide range of colors and designs. The surfaces produced by the company can be used for vanities, kitchen countertops, floors and wall cladding.

Esprit stones is a joint venture promoted by 2 prominent business houses namely, Aravali group and Gattani group. The groups have expertise in across sectors like mining, real estate, hospitality, energy amongst others.

The Aravali group was founded in the year 1975 and has 8 companies in minerals, real estate and finance sector. It owns the largest underground mines in India in addition to 6 mines which it has taken on lease from the Rajasthan government. Its spread over 83 hectares and has 600 feet proven deposits, yield of 100,000 MT of marble.

The Gattani group was established in the year 1979 and is a multi-faceted conglomerate. In the infrastructure sector, they have expertise in excavation, mining and land grading.

4. Global Surfaces Ltd (Previously – Global Stones Pvt Ltd):

Global Surfaces Ltd was incorporated in the year 1991 in Jaipur and provides natural and engineered stones products. It is involved in mining, production and export of natural stones and engineered quartz.

The company offers products made of granite, marble and quartz. The products range includes slabs and countertops that can be used in flooring, indoor wall cladding, vanity tops, reception desk, table tops, staircase. etc. The products can be customized as per different shapes, sizes, colors and forms. Since its inception, the company has progressed and created new growth avenues in the international markets.

Global Surfaces Ltd. holds various certifications including Greenguard, ISO 9001:2008 Registered QMS certification.

5. **Johnson Marble & Quartz Ltd:**
   Johnson Marble & Quartz is the engineered marble and quartz business of H&R Johnson (HRJ) – India, a division of Prism Johnson Ltd (Formerly Prism Cement Ltd). HRJ was founded in the year 1958 and is a leading tile and bathroom company. Its products include bath fittings, sanitaryware, engineered marble and quartz and tile fixing adhesives.

   The company is a manufacturer of engineered quartz and marble. The engineered stone has its applications across industry verticals. The company also has readymade product segment which offers kitchen countertops, stairs and mosaic engineered stone. These products are ready to install and also save costs and time of the company.

   Johnson Marble and Quartz is an innovative company adapting eco-friendly alternatives which now holds a UL Greenguard Gold certificate.

6. **Classic Marble Company (CMC):**
   Classic Marble Company is headquartered in Mumbai and was founded in the year 1994. It is the biggest importer of stones in India and is the only company to supply more than 150 Mn sq. ft. of imported marble in the country since its inception.
   The company supplies natural and exotic marble as well as other stones like travertine's, onyx, and limestone.

   CMC is an ISO 9001:2015, 14001:2015, 45001:2018 certified company and has its stockyards in Silvassa. The company has various brands like Kalinga stone, Quadra, Techlam and Kalesinterflex which provide wide range of stones like engineered marble, terrazzo and quartz. The company has over 700 varieties of exquisite stones sourced from nearly 53 countries.

Global Raw material suppliers

1. **Wacker Chemie AG:**
   Wacker Chemie is headquartered in Germany is a leading chemical company. The company's portfolio is spread across silicone chemistry, polymer chemistry fine chemicals and biotech products, polysilicon, wafers and hyperpure silicon monocrystals. The company has specialized business divisions like Wacker silicones, Wacker polymers, Wacker fine chemicals and Siltronic.

   It supplies products for major global industries including construction industry. The products find its application in construction materials where it is used as tile adhesive and sealant.

2. **Evonik:**
   Evonik was established in the year 2007 and is headquartered in Germany. It is one the largest specialty chemical companies in the world and is active in over 100 countries. It manufactures chemicals that are used in industries across medical, agriculture, construction, paper and packaging, transportation. Etc. The company offer additives to improve properties of methacrylate monomers for adhesives and sealants, interior and exterior paints and coatings, polymers such as hotmelt adhesives, epoxy curing agents and silanes as adhesion promoters in insulating materials or silica for improved handling of powdered additives for concrete.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 21 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 31, 232 and 289, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Statements" beginning on page 232. Unless the context otherwise requires, in this section, references to "we", "us", "our", "our Company" or "the Company", refers to Global Surfaces Limited. Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Report on Natural and Engineered Stone Industry" dated May 2022 (the "CARE Report") prepared and issued by CARE Advisory Research & Training Limited commissioned by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Overview

Our Company is engaged in the business of processing natural stones and manufacturing engineered quartz. Natural stones are produced by complex geological processes and include a number of products such as granite, limestone, marble, slate, quartzite, onyx, sandstone, travertine, and others that are quarried from the earth. Natural stones are widely known for their uniqueness, aesthetic appeal, texture, color, and composition as no two natural stones are the same. Engineered quartz on the other hand, is an example of engineered stone used in the countertop industry, which is a composite material made up of crushed stone bonded by an adhesive. For instance, for countertops, the slabs are made from quartz crystals bonded with a resin binder.

Globally, the natural and engineered stone (combined) market accounted for $60,148 million in 2021 and is predicted to reach of $105,265 million by 2030. In the year 2021, the natural stone segment accounted for a major 60% of market share with $35,999 million while the contribution of engineered stone segment stood at $24,150 million. However, in projected years between 2021 and 2026, the engineered stone is expected to grow at a higher CAGR of 7-8% as compared to natural stone which is expected to grow at a CAGR of 6-7%. This is mainly because the engineered stones are non-porous, strong, durable and stain resistant. The engineered stones are also available in various colors and designs which is making them a preferred choice. *(Source: CARE Report)*

We have two units, one located at RIICO Industrial Area, Bagru Extn, Bagru, Jaipur, Rajasthan and the other at Mahindra World City SEZ, Jaipur, Rajasthan for processing and manufacturing of our products. Our Unit I which is admeasuring 20,488 sq. mtrs. or thereabouts is located at Bagru, Jaipur, Rajasthan. This Unit was acquired by us as a stressed asset under the Recovery of the Debt Due to Banks and Financial Institutions Act, 1993 in 2004 and is exclusively dedicated to processing natural stones such as marble, granite and quartzite. Our Unit I is strategically located in close proximity of the key raw material (i.e. blocks of natural stones) which helps us in sourcing our raw materials and also minimize the logistics and transportation cost. Prior to the acquisition of Unit I in 2004, our Company was engaged in the real estate construction business which business we have since ceased to undertake. From FY 2017-18 onwards, our Company has further diversified its business into manufacturing of engineered quartz and for this purpose, Unit II at Mahindra World City SEZ, Jaipur, Rajasthan was set up by us. This Unit II is spread across 24,139.08 sq. mtrs. or thereabouts of land and is dedicated towards manufacturing engineered quartz. This Unit is also equipped with a R&D facility to develop, improve and test our products which assists us in keeping pace with the ever evolving market trends and demands. Both our Units are located in close proximity of each other i.e., within a range of 20 Kms. from one another.

Our products have application in the flooring, wall cladding, countertops, cut-to size and other items. Our products are used in both commercial and residential industry and are sold within and outside India. We are focused on exporting our products and have exported to the United States of America, Canada, Australia and Middle East.

Our business model is aimed at consistently expanding our product portfolio by developing new designs. We constantly engage with our customers through marketing and promotional activities and industry specific events. Our sales team works closely with our customers to obtain their insights and feedback about the upcoming trends in the industry which enables us to develop and improve our products to fulfil the tastes and demands of the market.

Our Company is promoted and managed by our Managing Director and Promoter, Mr. Mayank Shah who has been instrumental in the growth of our Company. Mr. Shah has played a key role in reviving and turning around a sick and closed unit (i.e. Unit I) into a profitable venture, facilitating technology upgradation in the production process, diversification of business into engineered quartz and spearheading our venture of setting foot in previously untapped markets.

We, through our wholly owned subsidiary, Global Surfaces FZE, intend to establish a dedicated unit for manufacturing engineered quartz at Dubai, UAE. Global Surfaces FZE has taken on lease a parcel of land admeasuring 39,657.63 square meters situated at Plot no. S-50902, The Jebel Ali Free Zone, Dubai, UAE for a period of twenty years where it has been granted a rent-free lease period till June 13, 2023. This Unit would be strategically located to facilitate us, through our subsidiary, to achieve physical growth, organic growth, optimization of freight and transportation charges, customer acquisition and expansion of our business. For further information, see "*Proposed Expansion Plans*" and "*Objects of the Offer*" on pages 182 and 110, respectively.

The table below sets forth certain key operational and financial metrics for the periods indicated:

(₹ in Million, except percentages)

Particulars	Fiscal		
	2020	2021	2022
Revenue from operations	1632.91	1753.71	1903.13
EBITDA	428.05	509.53	498.48
EBITDA margin	26.21%	29.05%	26.19%
Restated profit for the year	209.64	339.32	356.34
Restated profit for the year as % of Revenue (PAT margin)	12.84%	19.35%	18.72%
Capital employed	787.43	1,061.11	1,873.61
ROCE (%)	54.36%	48.02%	26.61%
ROE (%)	32.51%	34.47%	26.59%
Debt-to-Equity ratio	0.83	0.39	0.28

Strengths

- **Consistent Growth**

Our Company has grown from a single category to multi-category stone manufacturing company. Our revenue from operations has grown from INR 232.89 Million in Fiscal 2011 to INR 1903.13 Million in Fiscal 2022, registering a CAGR of 21.04% in last 11 years. Despite Fiscal 2021 being impacted by

COVID-19, our revenue from operations has grown by 7.40% between Fiscal 2020 to Fiscal 2021. The recognition of our product quality and established goodwill has enabled us to penetrate the engineered quartz market and cater to new customers in addition to the Company's existing customer network. Increased acceptance of newer product categories due to improved designs and efficient pricing has further established the Company's reputation.

- **Wide product portfolio and multiple designs**

We had started our business activities with processing of natural stones and have since branched out to manufacturing engineered quartz which has enabled us to diversify our product portfolio manifold. Having a wide range of products not only enables us to meet the trends and ever changing demands of our customers but also gives our Company an edge to efficiently compete with big players in the industry. Our constant efforts are focused towards identifying new market trends and introducing high quality products which are in demand. For the Fiscal 2021-22, engineered quartz generated revenues of INR 1574.83 Million which represents about 82.75% of our operating revenue.

- **Established presence in international markets**

Our Company's philosophy has always been to manufacture and process quality products which in turn has helped us to build a sustainable export business. As on date, various regions of the USA are our primary focus in international markets. Our exports business constitutes 99.13% of operating revenue in the Fiscal 2021-22 and has grown at 21.60% CAGR over last 11 years. We have in the recent past sold our products in the United States of America, Canada, Australia and Middle East.

- **Experienced and result oriented Promoter**

Mr. Mayank Shah, our Promoter and Managing Director has about eighteen years of experience in the stone industry. He has been instrumental in reviving and turning around a sick and closed unit (Unit I) into a profitable venture and helping us achieve great milestones including setting-up of a dedicated unit in the year 2018 for manufacturing engineered quartz at Mahindra World City SEZ, Jaipur (Unit II) and doubling our operating revenue from about ₹ 500 Million in Fiscal 2016 to about ₹ 1350 Million in Fiscal 2019. Our Company has received recognitions from reputed organisations from around the world including Asia Pacific Enterprise, Capexil, India SME Forum, Government of Rajasthan – Department of Industries and Indian Organisation for Commerce and Industry under his tutelage.

- **Synergy of young and experienced management team with a committed employee base**

We have a strong management team with considerable industry experience. Our key business functions like production, finance, sales and HR play an important role in efficient day-to-day operations of the Company. We endeavour to maintain a balance of highly experienced and young professionals in the team. Our Board of Directors includes a combination of management executives and independent members who bring in significant business expertise including in the areas of administration and management, manufacturing, finance, compliance and audit. Our well-defined organization structure has helped in establishing cordial relationships with our employee base across our offices.

- **Effective quality checks thereby reducing loss**

We have developed quality control processes for inspecting the raw materials as well as the final products. The raw materials undergo a strict quality check and for this purpose we have even implemented internal procedures for procurement of the raw material as the quality of the final product is dependent on them. Our Units have dedicated personnel responsible for monitoring the parameters of equipment, strength of materials, reporting any irregularities in the manufacturing process and making adjustments accordingly. These multi-level quality checks ensure that we consistently provide premium quality products which further enhances our brand value.

- **R&D set up for new product development**

We have an in- house R&D facility at our Mahindra World City SEZ, Jaipur (Unit II) where we focus on developing good quality and cost- efficient engineered quartz. A dedicated team of R&D personnel are engaged in developing new products and designs which would appeal to the diversified customer base. This in- house development ensures that we are self-reliant for the development of high-quality products and are kept abreast of the market trends.

Strategies

- **Increasing our global footprint and augmenting growth in current geographies**

With a view to further diversify our customer base and increase our market share, we intend to augment our sales in the markets where we sell our products as well as expand into new geographies. Over the last several years, our Company has consistently expanded the customer network across the North American continent and this continues to be one of the core strategies of our Company for the future. Having a wider product portfolio and an established brand presence in existing products provides confidence to new customers to engage with our Company. We will continue to focus our efforts in the select geographies such as United States of America and establish a greater presence there. Our growth strategy in these markets will be to create strong local presence and connect and expertise with required development capabilities to exploit growth potential offered by these markets. Our strong focus will remain on acquiring new customers, retaining existing customers and offering good quality products.

- **Setting up strategically located manufacturing facility**

We are in the process of setting up manufacturing facility in Jebel Ali Free Trade Zone, Dubai, UAE through our wholly owned subsidiary which is scheduled to commission production by FY 2023-24. Dubai is situated centrally and has new manufacturing lines established strategically at Free Trade Zone which is at Jebel Ali port. This positioning of the manufacturing units near the port leads to optimization of freight and transportation charges as compared to manufacturing units established in landlocked areas that use rail and roads for transportation. The companies and production facilities located in Free Trade Zones are exempt from income tax. The income tax exemption and free trade privileges serve as a key factor in attracting investments. Also, the application of engineered stone is expected to witness growth in Dubai due to increase in infrastructure activities like building metro stations and various tourist attraction places.

The engineered stone market in LAMEA grew at a CAGR of 5% and stood at $2,128 million in 2021. It is expected to reach $4,005 million in 2030. The expansion in the construction sector in countries namely Abu Dhabi, Qatar, Saudi Arabia, and Dubai is estimated to propel the engineered stone market demand in the coming years. Under LAMEA, the UAE engineered stone market was valued at $539 million in 2021 and is projected to reach $1,056 million by 2030. *(Source: CARE Report)*

Our growth strategy in these markets will be to make early in-roads in the manufacturing space for engineered quartz, create strong local presence, connects and expertise with required development capabilities to exploit growth potential offered by these markets.

- **Continue to add to product portfolio by introducing new designs**

Our Company's strategy is focused towards introducing new product designs to meet the ever-changing demands of the market as well as garnering the attention of more end-users. This helps in strengthening the relationship with the existing customer network through a wide range of products while also onboarding new customers from untapped segments and regions. Identifying and developing new products and designs is a continuous exercise that our management team engages into as we believe that there is an immense demand in the global markets for unique designs, good quality and competitively priced products.

- **Technology integration and plant automation to improve productivity**

We have invested in the latest technology for manufacturing and processing and strive to continuously upgrade to the latest technology which ensures delivery of high-quality products. We have also adopted SAP for efficient and easy maintenance of the records. Investments in technology proves to be more cost and time effective and aids in improving production output. We believe that through investment in technology infrastructure, we have been able to increase our operational efficiencies and achieve economies of scale. We also believe that such initiatives will drive cost efficiencies, improve customer service, reduce manual workload and integrate our business functions thereby improving our business processes.

Business Operations

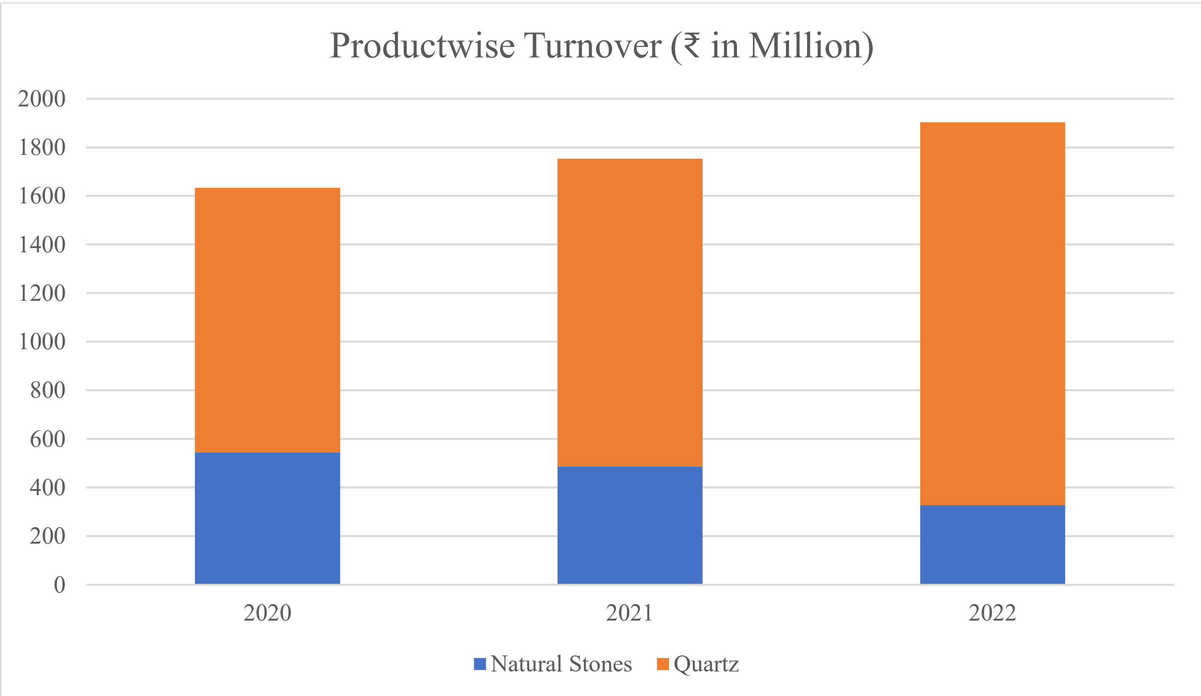
Product Portfolio

The portfolio of our products can be categorized into natural stones and engineered quartz.

The below mentioned table sets out the production sales turnover of our product categories for the periods indicated below:

(₹ in Million)

Product Category	Fiscal		
	2020	2021	2022
Natural Stones	545.41	487.28	328.29
Engineered Quartz	1,087.51	1,266.43	1,574.83
Total	**1632.91**	**1753.71**	**1903.13**



Our Products

A. <u>*Natural Stones*</u>

Natural stones are produced by complex geological processes and include a number of products such as granite, limestone, marble, slate, quartzite, onyx, sandstone, travertine, and others that are quarried from the earth. Natural stones are widely known for their uniqueness, aesthetic appeal, texture, color, and composition as no two natural stones are the same.

Natural stones have wide range of applications in large-scale constructions such as construction of government buildings, churches, monuments, and road construction. Previously, for residential construction projects, wood and brick was a non-debatable choice. However, as per recent trends, natural stone is widely used in residential construction owing to its excellent structural and decorative aspects. Some of the popular applications of natural stones in residential construction include atriums, fireplaces, countertops, bathrooms, entryways and other surfaces. Natural stones are known for the sense of peaceful tranquility that they create and for their distinctive beauty. In addition to aesthetic appeal, natural stones are durable compared to other building materials, such as wood, they can last for decade, and require very little maintenance. These stones are available in a variety of finishes such as antiquated, leather, rugged, polished, and tumbled and in a variety of edges such as bull-nosed, beveled, and others.

Our Natural Stone products segment may be further divided into:

- Marble
- Granite
- Quartzite and others

The granite and marble segments collectively accounted for around 66% market share in 2021. *(Source: CARE Report)*

1. Marble

Marble is the geological name for massive, compact limestone which is completely re-crystallized by heat and pressure that captures several foreign substances, thus creating a unique variety of colors and veining (minerals). Marble is just a changed limestone, or to be more specific, metamorphic limestone. The dissimilarity of materials causes veining in marbles causing areas of weakness within many marbles. Like numerous other stones such as calcareous stones, travertine and onyx, calcium carbonate is a major component of marble.

Marble can be polished and used for architectural and ornamental purposes. It is available in different colors from white to black, yellow, red, and green. Marbles are also veined or clouded beautifully that are preferred for floorings as it emphasizes the living space with its richness. Compared to other stones marble is relatively softer and is also less stain resistant. It is required to be carefully maintained and should be treated as fine furniture. It is vulnerable to damage from citric acids, alcohols and oils and hence spills should be wiped up immediately.

Marble occurs in large deposits that can be hundreds of feet thick and geographically extensive. This allows it to be economically mined on a large scale.

Marble is usually a light-colored rock. When it is formed from a limestone with very few impurities, it will be white in color. However, marble that contains impurities such as clay minerals, iron oxides or bituminous material can be bluish, gray, pink, yellow or black in color.

Our portfolio contains the following marble products:

- Fantasy Brown

- River Blue
- Marine Black
- Calcutta Veneto
- Ocean Blue

Fantasy Brown

River Blue

2. *Granite*

Granite is an igneous rock, which, during its development, remains in the form of liquid magma in the center of the Earth. Unlike lava, granite does not come to the surface. It remains trapped inside the earth where it slowly cools and gets crystallized. Due to the extreme pressure within the Earth and the absence of atmosphere, the granite formed is very dense and is without any pores. Granite made up of different kinds of ingredients, including common minerals like feldspar, quartz and mica, the proportions of which differ from deposit to deposit. Quartz, which is the hardest part of granite (ranging between 70% and 80% to the density of a diamond) makes up only between 10-30% of the rock, whereas feldspar (potassium and sodium varieties) makes up 60-80%. *(Source: CARE Report)*

There are different colors of granite comes varying from stark white to beiges, browns, reds, pinks, yellows, greens, blues, grays and blacks. Textures range from clear to coarse and crystalline to heavily veined. These natural materials were created in the earth many years ago by processes and conditions, which gave each of them varying properties and characteristics.

Granite is the most durable of the stone surfaces, which makes it the best choice for a worry-free countertop. It is extremely durable, stain resistant and easy to care for. It is chip resistant and is unlikely to crack or scratch during normal use. *(Source: CARE Report)* Due to these properties, it is widely used for countertops, floor tiles, paving stone, curbing, stair treads, building veneer and cemetery monuments.

Granite forms 70-80% of the Earth's crust and two fifths of the global natural stone market are constituted by granite stones. *(Source: CARE Report)*

Our product portfolio includes wide range of granite some of which are as follows:
- Azul Nuevo
- Bianco Star
- Blue Dunes
- Blue Flower
- Crema Petra
- Dona Brown
- Mona Lisa
- Monte Cristo
- Shadow Blue
- Sparkle Grey
- Sparkle Blue

Blue Dunes

Monte Cristo

Blue Flower

Mona Lisa

3. ***Quartzite***

Quartzite is a non-foliated metamorphic rock composed almost entirely of quartz. It forms when a quartz-rich sandstone is altered by the heat, pressure and chemical activity of metamorphism. Metamorphism recrystallizes the sand grains and the silica cement that binds them together. The result is a network of interlocking quartz grains of incredible strength.

The interlocking crystalline structure of quartzite makes it a hard, tough, durable rock. It is so tough that it breaks through the quartz grains rather than breaking along the boundaries between them. This is a characteristic that separates true quartzite from sandstone. Quartzite is one of the most physically durable and chemically resistant rocks found on the Earth's surface. When mountain ranges are worn down by weathering and erosion, less-resistant and less-durable rocks are destroyed, but the quartzite remains. Therefore, quartzite is so often found at the crest of mountain ranges and covering their flanks as large boulders.

Quartzite is usually white or grey in colour. Some rock units that are stained by iron can be pink, red, or purple. Other impurities can cause quartzite to be yellow, orange, brown, green, or blue. As on date, we offer Picasso to our customers in our Quartzite portfolio.

Picasso

B. ***Engineered Stones***

Engineered stone, is a composite material formed out of crushed stone that is held together by an adhesive. The various types of engineered stones are:

- Engineered quartz,
- Polymer concrete and
- Engineered marble

Historically, amongst the three kinds of engineered stone, engineered quartz has accounted for the highest market share followed by engineered marble stone.

1. *Engineered Quartz*

Quartz is a naturally occurring silicate mineral composed of silicon dioxide (SiO_2). It is one of the most common and available minerals on the earth's surface. Quartz exists naturally in clusters and does not form huge stone blocks like granite, limestone or other types of rock. This makes it unsuitable for use in its natural state in countertops or other large slab applications. This means that it needs to be converted into another form i.e., engineered quartz, to make it a viable option for such applications.

Engineered quartz, which is also known as "engineered stone", is a product with the word "quartz" referring to a natural mineral. Quartz particles are bound together with resin, pigments, and other elements. The specific composition of engineered quartz varies by brand and hue, and manufacturers promote their slabs' high mineral content.

It is made of 90 to 94 percent ground quartz and 6 to 10 percent resins and pigments that are combined into durable and non-porous slabs. The strength of quartz, even in a manufactured form, makes it naturally resistant to abrasion, scratches, dents and even acids without the need for sealants. *(Source: CARE Report)*

One of the appealing features of engineered quartz is its wide variety of colors, patterns, and textures. The surface of manufactured quartz depends on how the quartz is ground: coarsely ground stone produces a flecked appearance, while finely ground has a smooth look. We have created colors and patterns that mimic natural stone, such as marble and granite and have also created cement lookalikes which is an appealing option, since cement itself is prone to cracking, chipping, and staining. Engineered quartz is hard, dense, non- porous, non- abrasive and non- reactive to acids – attributes that make it perfect for use as countertops, backsplashes, walls and even floors. There are also easy to clean and maintain. They are, therefore, ideal for locations such as commercial buildings, canteens, hospital food service areas, etc.

Our product portfolio of quartz has been categorized into four series namely Aurora, Kalmasa, Prismatic and Stratum.

Aurora Series: This collection possesses a serene characteristic of monochromatic colours. This is developed from lustrous variations of the crimson shades and tints.

Kalmasa Series: This collection is developed from lustrous variations of the crimson shades and tints and integrated with tones.

Prismatic Series: Harbouring the essence of natural elements, our Prismatic series is a blend of vibrant colours and smooth linear shapes. These delicate patterns create an illusion of ocean waves using an array of colours, textures and materials.

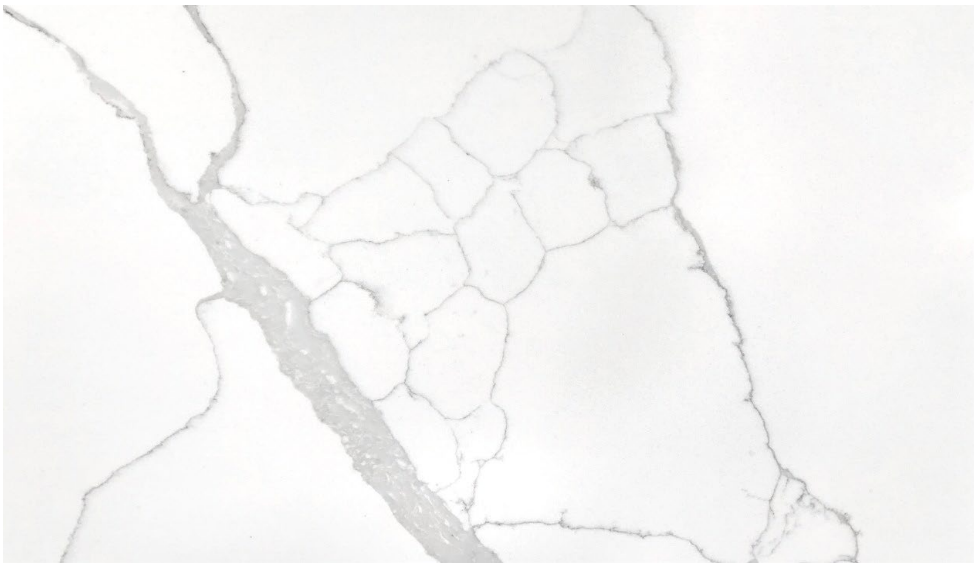
Stratum Series: The Stratum series is distinguished by a vein appearing as a sharp ridge in the quartz slab like a bolt of lightning in the sky.

A part of the Stratum collection, the Lampros surfaces consist of subtle, luminous colours and different patterns. Lampros quartz slabs are made by using premium cristobalite, with natural beauty and look.

Products manufactured by our Company under various series of quartz include:

Series	Products
Aurora	- Global Sheer - Frost White - Crisp White
Kalmasa	- Grey Sparkle - White Sparkle
Prismatic	- Harbour Grey

	- Seashell - Mystique White - Altair - Modena Pearl
Stratum	- Crisp Stria - Divine - Ivory Swirls - Carrara Breeze - Carrara Morro - Fossil Grey - Fossil Taupe - Fossil Brown - Calcatta Zara - Torano - Calcatta Prince - Calcatta Colardo - Calcatta Glaze



Calcatta Zara

White Sparkle

Modena Pearl

Altair

Our Units

Unit I

We operate out of our units located at RIICO Industrial Area, Bagru Extn., Bagru, Jaipur (*Unit I*) and at Mahindra World City SEZ, Jaipur (*Unit II*). Our Units are supported by infrastructure for storage of raw materials, processing of natural stones and manufacturing of engineered quartz, storage of finished goods, together with a quality control and R&D laboratory. We process natural stone at Unit I and manufacture engineered quartz at Unit II. The raw materials and finished goods are stored at the respective Units.

We source raw materials from our suppliers based on quality specifications and cost effectiveness. Easily available materials are procured from suppliers located in close proximity to our Units to minimize inward freight costs and reduce the cost of raw materials. Some specific types of grit and powder are imported from preferred suppliers based out of Europe.

The power requirements are met through the local power grids maintained by state power grid. We maintain power back-ups through DG Sets to ensure unhindered production in case of power cuts by the local electricity providers. We also have rooftop PV solar power panels installed at both our Units.

Water is procured from the third-party water supplier. To minimize the wastage of water as well as to reduce the water procurement cost, we process the water in effluent treatment plant for recycling and reuse it in the manufacturing process.

Unit II

Capacity and Capacity Utilization

The following table sets forth certain information relating to capacity utilization of our Units calculated on the basis of total installed production capacity and actual production as of/ for the periods indicated below:

Fiscal	Units	Natural Stones	Quartz
2019-20	*Capacity*	471,164 sq. mtrs.	386,608.20 q. mtrs.
	Production	296,935.29 sq. mtrs.	272,117.91 sq. mtrs.
	Utilization	63.00%	70.38%
2020-21	*Capacity*	471,164 sq. mtrs.	521,643.60 sq. mtrs.
	Production	269,780.90 sq. mtrs.	333,950.56 sq. mtrs.
	Utilization	57.20%	64.01%

2021-22	*Capacity*	471,164 sq. mtrs.	521,643.60 q. mtrs.
	Production	135,393.61 sq. mtrs.	359,783.22 sq. mtrs.
	Utilization	28.74%	68.96%

As certified by M/s. Haripriya Associates Private Limited, Independent Chartered Engineers vide their certificate dated June 02, 2022

The information relating to the installed production capacity of our Units, as included above and elsewhere in this Draft Red Herring Prospectus are based on various assumptions and estimates that have been considered by the chartered engineer for calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of the natural stones and engineered quartz industry after examining the calculations and explanations provided by us. The assumptions and estimates taken into account include the following: (i) Number of working days: 300; and (ii) Batch per day is considered on 20 hour working of the plant per day for Unit I and 16 hour working of the plant per day for Unit II.

Actual production levels and utilization rates may vary from the capacity information of our Units included in this Draft Red Herring Prospectus and undue reliance should not be placed on such information. See "Risk Factor No. 13 – *Information relating to the installed production capacity and capacity utilization of our Units included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary*." on page 39 of this Draft Red Herring Prospectus.

Proposed Expansion Plans

To aid our growth efforts and expand our presence in the international markets we propose to set up a new facility in Dubai, UAE for manufacturing engineered quartz. This Proposed Facility shall be set up through our wholly owned subsidiary Global Surfaces FZE incorporated in UAE. Global Surfaces FZE has taken on lease a parcel of land admeasuring 39,657.63 square meters situated at Plot no. S-50902, The Jebel Ali Free Zone, Dubai, UAE for a period of twenty years where it has been granted a rent-free lease period till June 13, 2023.

Post completion of our proposed expansion plans, the new unit is expected to have an estimated installed capacity of 622,896 Sq. M/ annum and is expected to be operational from FY 2023-24 onwards. Consistent with our past practices, be the capacity of the Proposed Facility will increased in a phased manner to ensure the optimum utilization. Also see, *"Objects of the Offer"* on pages 110 of this DRHP.

The information on our Proposed Facility is indicative and remain subject to the potential difficulties and uncertainties that construction projects face including cost overruns or delays. We are in the process of obtaining various consents, approvals and acknowledgements from regulatory authorities that are routine in nature in relation to the proposed expansion at the New Unit.

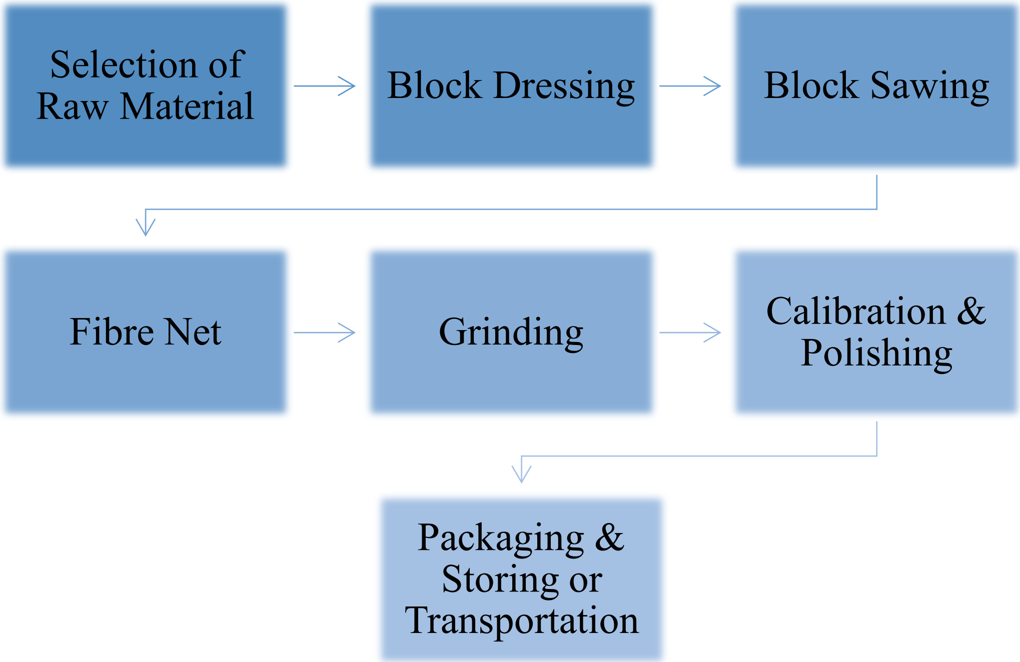
Also see, "Risk Factor No. 5 – *If there are delays in setting up the Proposed Facility or if the costs of setting up and the possible time or cost overruns related to the Proposed Facility or the purchase of plant and machinery for the Proposed Facility are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*." on page 34 of this DRHP.

Procurement of Raw Materials

The primary raw materials used in the processing of marble, granite and quartzite is the block of the stone. Major raw materials for engineered quartz include grit, silica powder, resins and pigments. In Fiscal 2020, 2021 and 2022 the cost of raw materials and components consumed represented 43.72%, 45.25%, and 51.82% respectively, of our revenue from operations. Raw materials are primarily transported to our Units by road. We source majority of our raw materials from local suppliers based around our Units but also import a few raw materials such as grit and powder from Europe.

Process

Natural Stones



i. *Selection of Raw Material (Block Selection):* The procedure of processing natural stones commences with selecting the appropriate natural stone block. We are always in search of new material and personally select the quarries for acquiring the stone blocks. If a new stone is found in a quarry, the same is analyzed by our experienced production managers and thereafter, sent to the government recognized labs for testing its hardness, chemical resistance, water absorption and other chemical properties.

ii. *Dressing of the blocks:* The outer faces of the raw stone blocks received from the quarries are chiseled and grinded to make them even and thereafter covered with a fiber net to give strength to the block for further processing.

iii. *Block Sawing:* After the stone blocks have been kept dressed for 1-2 days, multi-wire saw or gangsaw is used to cut the blocks into slabs. The thickness of the slab is adjusted as per the requirement.

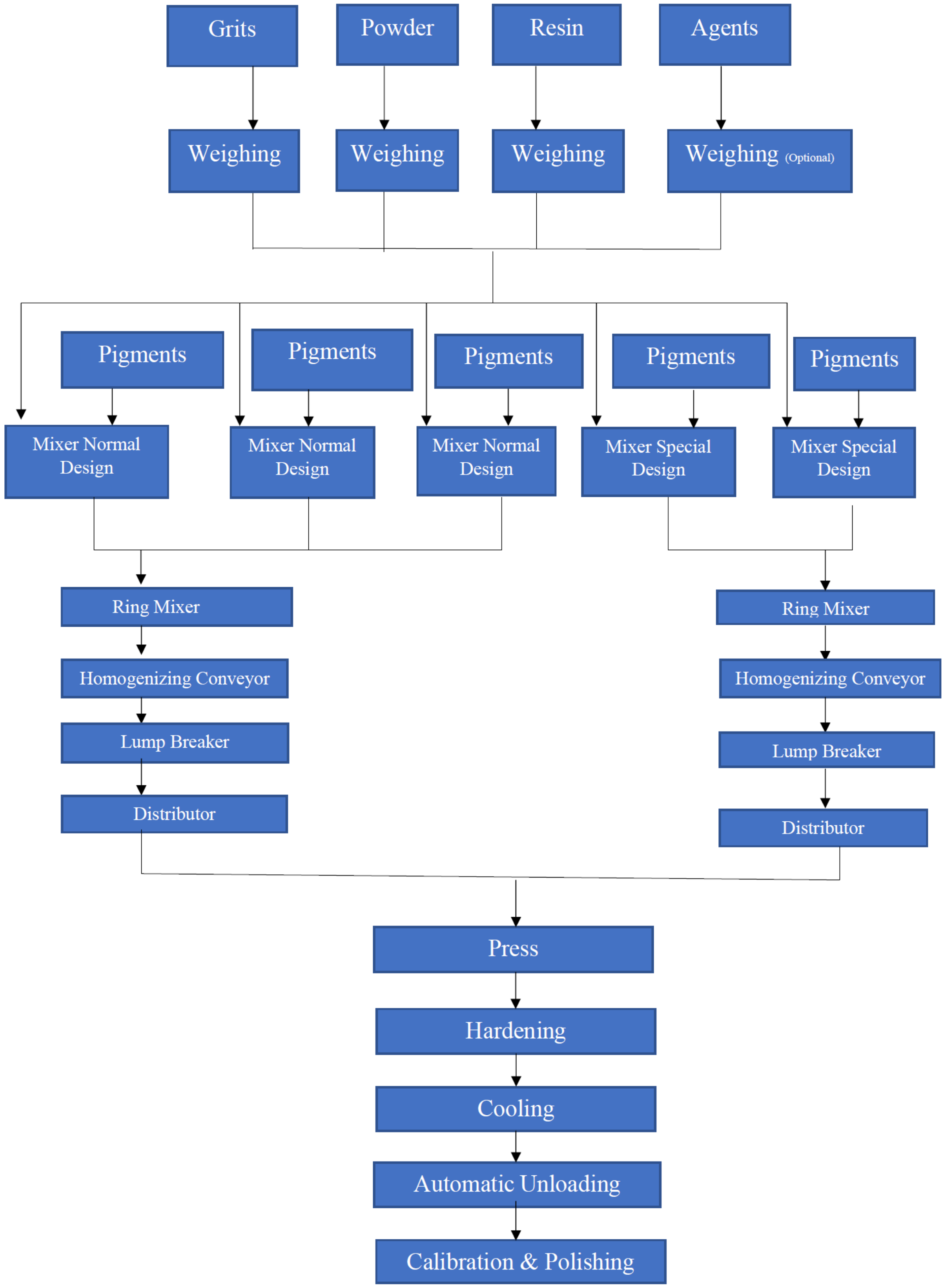
iv. *Fiber net:* One face of the cut slab is covered with fiber net of 100 GSM to 150 GSM to give it strength.

v. *Grinding:* The other face of the slab is ground and epoxy is applied for covering micro pinholes and minor fissures. The process of epoxy application is completed with the help of fully automatic resin line, using different epoxy grades for different materials. As per the requirement, the epoxy may be transparent or dark with different viscosity. After application of epoxy the slab is left to dry for 14-36 hours for the strengthening it.

vi. *Calibration & Polishing:* Each slab is calibrated after cutting to obtain a homogenous thickness. After that, the natural stones are polished using the polishing machine**.**

vii. *Packaging and Storing or Transportation:* The slabs are packed, labelled and transported to the warehouse for storage or transported to the customer as per the orders.

Engineered Quartz



i. *Inspection of Raw Materials:* Raw material including the quartz grits, powder and pigments are inspected and undergo quality check before their delivery is accepted.

ii. *Raw Material Loading and Blending:* The raw materials are screened and weighed as per composition and loaded on to a mixer using the batching system. The selected quartz grit is crushed and blended under a ratio of 90-93% quartz with 7-10% resin binder along with other chemicals. Resin and pigments are added to mixers as per the composition requirements and mixed thoroughly. The well blended material from different mixers is fed to a ring mixer for further blending. The homogeneous mixture from ring mixer is fed to lump breaker to break the material into uniform particles. Finally, the material is passed through distributer and placed on a belt on to preloaded paper uniformly to form a layer of required thickness and slab size. After laying material on belt, it is covered with paper sheet to protect it from sticking to the press head.

iii. *Slab Pressing:* The ready to press slab form material is brought under pressing machine and the mixture is compressed to form the slabs using the vacuum and vibration method at very high pressure. This process minimizes porosity while decreasing water absorption. The pressing process with vacuum and pressure ensures pin hole free and strong slab surface.

iv. *Heating:* The slabs undergo curing process using a kiln at 75-90 degrees for about half an hour. This helps to attain the necessary properties for stain and impact resistance. The slabs are loaded sequentially on to oven floors and exited. With first in and first out method each slab gets equal and uniform heating. The oven uses new generation technology of equal heating on both the side of slabs. This technology also ensures that the slabs are bend free.

v. *Cooling:* The baked slabs received from the kiln are stored in a dryer for cooling which is fitted with a blower and lifting device for loading and unloading the slabs. The slabs stay in the dryer for requisite time required to cool them and ensure that they are not susceptible to physical change. After the drying cycle is completed, they are loaded on to slab stands and left for at least 24-48 hours for further curing naturally.

vi. *Trimming:* After the curing process is complete the edges are trimmed and leveled.

vii. *Calibration & Polishing:* Slabs are then gauged, calibrated and polished to finish in a wide range of colors and designs in one of our three textural surface finishes: Polished, Honed or Textured.

viii. *Quality Assurance:* The slabs are put through quality checks for various properties including hardness, strength and resistance.

ix. *Packaging and Storing or Transportation:* After passing quality control tests, the slabs are packed, labelled and transported to the warehouse for storage or transported to the customer as per the orders.

Inventory Management

The quantity of our finished products is determined based on a combination of confirmed and expected orders based on past trends and market research. We have an inventory management policy which provides various parameters for maintaining minimum and maximum stock levels of raw materials and finished products. Further, stock is taken physically at defined intervals in accordance with our policy and our existing stock is reviewed at regular intervals for quality purposes. Our finished products are stored on-site at our production Units. Our finished products are packed through semi-automated stackers in wooden crates which are further exported in containers. We also make use of various other software to manage our inventory management.

Customer Network and Sales

We are a B2B processors and manufacturers of natural stones and engineered quartz selling our products across various regions of the USA, Canada, Middle East and Australia. The sales to our customers in the USA is made either directly or through our subsidiary Global Surfaces Inc., incorporated in the State of Delaware. Elsewhere, sales are made directly to our customers and the goods are dispatched directly from our Units to all our customers. We supply our products to the customers on purchase order basis.

Logistics

Our raw materials are primarily transported by road while our finished products are majorly transported through waterways. Our suppliers directly deliver our raw materials to our Units. We outsource the delivery of our products to third-party logistics providers and rely on freight forwarders to deliver our products from our Units to the customers. We do not have long-term contractual relationships with the logistics providers or freight forwarders.

Utilities

Our operations require use of power and water. The power requirement for our Units is sourced from the state power grids. We also have rooftop PV solar power plants installed at both our Units. Since our production processes requires uninterrupted supply of power we have also installed back-up diesel generators at our Units. We require reasonable quantum of water for our production activities. The water used during the production process at Unit I is further recycled. We rely on third party water supplier for the supply of water. Also see “Our Units” on page 180 of this DRHP.

Brand building & Marketing

Our sales and marketing strategy seeks to increase our revenues from new and existing customers. We maintain a dedicated marketing team, which coordinates corporate-level branding efforts that range from personal meetings with the customers to participation in and hosting of industry conferences and events.

With the upcoming trends and new norms developing around the world due to Covid-19 pandemic, we have adopted the internet-based marketing strategy using various social media platforms to reach out to our existing and prospective customers through e-mails containing information about our products and social media campaigns and publishing content like posts, blogs and articles. We believe that this strategy shall be effective in promoting repeat business and growth from within our existing customer base and tapping new markets.

Technical Collaborations

Our Company does not have any technical collaborations as on the date of this Draft Red Herring Prospectus.

Information technology

We believe that an appropriate information technology infrastructure is important to support the growth of our business. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods and orders from customers. We utilize SAP which covers sales, purchase, inventory and financial reporting, across our Units.

Competition

The market for natural stones in India is fragmented and comprises of many large and small players. The market for engineered quartz currently is catered majorly in the Asia-Pacific region. The large global players in the industry include Cosentino Spain, Caesarstone Ltd., Cambria USA and domestic players include Pokarna Ltd., ARO Granite Industries Ltd. Johnson Marble & Quartz Ltd. and Esprit Stones Pvt. Ltd. *(Source: CARE Report)*

We believe the principal elements of competition in our industry are quality, price, and range of the products offered. Our eighteen years of presence in the market coupled with the high quality and vast range of products as well as our product development capabilities, helps us in having a competitive edge in the stone market. For further information on the competition we face in the markets in which we operate, please see the chapter titled *"Industry Overview"* beginning on page 132 of this Draft Red Herring Prospectus.

Quality Control

We place significant emphasis on quality control. Our quality management system with respect to our Units has been certified to conform to NSF International, ISO 9001:2015 and ISO 14001:2018 requirements, subject to periodic audits conducted by NSF and ISO.

We inspect the raw materials that we receive as well as the final products that are dispatched. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material to inventory storage. Our Units have personnel responsible for monitoring the parameters of equipment, stability of materials, reporting any irregularities in the production process and making adjustments accordingly.

Health and Safety

Our activities are subject to pollution control laws and various regulations which govern, among other matters, the storage and handling of raw materials and finished goods. For further information, please refer to the chapter titled *"Key Industry Regulations and Policies"* beginning on page 189 of this DRHP. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have received ISO 45001:2018 certification for occupational health and safety management system in January 2021. We have complied, and will continue to comply, with all applicable laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, please see the chapter titled *"Government and Other Approvals"* beginning on page 314 of this DRHP.

Insurance

We have purchased insurance in order to mitigate the risk of losses from potentially harmful events, including: (i) insurance policy covering fire, damage to buildings, plant and machinery, stocks (raw materials and finished goods); (ii) motor insurance policies covering the vehicles and (iii) policy covering finished goods of natural stones and engineered quartz in transit. These insurance policies are renewed periodically to ensure that the coverage is adequate. Our insurance covers both of our Units.

Employees

As of May 31, 2022, we had an employee base of 345 employees. The following table sets forth a breakdown of our employees by function:

Function	No. of Employees
Management	4
Administration	25
Accounts	10
Dispatch	14
Human Resource	2
Production	278
Store & Purchase	7
Sales & Marketing	5
Total	**345**

In addition, for production we have a contract with third- party manpower firms and independent contractors for the supply of contract labours. The number of contract labourers varies from time to time based on the nature and extent of work contracted to third- party manpower firms and independent contractors.

Intellectual Property

We have applied for trademarks registrations for the logo ‘ ’ under Class 19, ‘ ’ and ‘ ’ under Class 35 of the Trademark Act, 1999 in the name of our Company. We have also registered the domain name www.globalsurfaces.in.

Material Properties

Our Unit I located at E-40 to E-42 and G-43 to G-47, RIICO Industrial Area, Bagru Extn. Bagru – 303 007, Jaipur, Rajasthan admeasuring 20,488 sq. mtrs. or thereabouts has been taken on long term lease basis from RIICO. Our other Unit (Unit II) and our Registered Office are located at Plot No. PA-10-006 Engineering and Related Industries SEZ, Mahindra World City Tehsil-Sanganer Jaipur – 302 037, Rajasthan admeasuring 24,139.08 sq. mtrs. or thereabouts for manufacturing engineered quartz which has been taken from Mahindra World City (Jaipur) Limited on long term lease basis.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled "Government and Other Approvals" on page 314 of this Draft Red Herring Prospectus.

I. *Special Economic Zones Act, 2005 ("SEZ Act")*

SEZs are regulated and governed by the SEZ Act. The SEZ Act has been enacted for the establishment, development and management of the SEZs for the promotion of exports. An SEZ is a specifically delineated duty-free enclave, deemed to be a foreign territory for the purposes of trade as well as duties and tariffs.

Initially, India had introduced the concept of the SEZ as a part of its Foreign Trade Policy, 2000. This concept embodied fiscal and regulatory concessions, which formed part of various laws, for example, Customs Act, 1962, Income Tax Act, 1961 and Central Excise Act, 1944. Due to its relatively complex legal framework, it was unable to attract significant private investment and therefore, the SEZ Act was enacted.

A board of approval ("**SEZ Board**") has been set up under the SEZ Act, which is responsible for promoting the SEZ and ensuring its orderly development. The SEZ Board has a number of powers including the authority to approve proposals for the establishment of the SEZ, the operations to be carried out in the SEZ by the developer, the foreign collaborations and foreign direct investments.

The Special Economic Zones Rules, 2006 (the "SEZ Rules")

The SEZ Rules have been enacted to effectively implement the provisions of the SEZ Act. The SEZ Rules provide for a simplified procedure for a single window clearance from central and state governments for setting up of SEZs and a "unit" in SEZ. The SEZ Rules also prescribe the procedure for the operation and maintenance of an SEZ, for setting up and conducting business therein with an emphasis on self-certification and the terms and conditions subject to which entrepreneur and developer shall be entitled to exemptions, drawbacks and concessions. The SEZ Rules also provide for the minimum area requirement for various categories of SEZs.

II. Laws relating to Employment

Factories Act, 1948

The Factories Act, 1948, as amended (the "Factories Act"), defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

Industrial Disputes Act, 1947, as amended (the "ID Act")

The ID Act provides for statutory mechanism of settlement of all industrial disputes, a term which primarily refers to a dispute or difference between employers and workmen concerning employment or the terms of employment or with the conditions of labour of any person. The Industrial Dispute (Central) Rules, 1957 *inter-alia* specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

Industrial Employment (Standing Orders) Act, 1946

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("**ECA**") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The ECA makes every employer liable to pay compensation in accordance with the ECA if a personal injury/disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the ECA within one month from the date it falls due, the commissioner appointed under the ECA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employees or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the "EPF Act")

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

Payment of Bonus Act, 1965, as amended (the "PoB Act")

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

Equal Remuneration Act, 1979:

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. This act was enacted with the aim of state to provide Equal Pay for Equal Work as envisaged under Article 39 of the Constitution.

Maternity Benefit Act, 1961

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

The 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 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

The Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(ii)(s), 67(ii)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986)) of the Code on Wages, 2019. The remaining provisions of this Code will be brought into force on a date to be notified by the GoI.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this Code will be brought into force on a date to be notified by the Central Government. The GoI has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this Code will be brought into force on a date to be notified by the GoI.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this Code will be brought into force on a date to be notified by the GoI. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganised workers, gig workers and platform workers.

III. Tax Laws

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its "Residential Status" and "Type of Income" involved. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products. Taxpayers with an aggregate turnover of Rs. 20 Lakh would be exempt from tax.

Export and supplies to SEZ shall be treated as zero-rate supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these is required to shall do so within a period of 30 days from the date on which he became liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Services Tax Identification Number. In case a person has multiple business verticals in location in a state, a separate application will be made for registration of each and every location. The registered assesses are then required to pay GST as per the rules applicable thereon and file the appropriate return as applicable thereon.

IV. Foreign Exchange Laws

Foreign Exchange Management Act, 1999 ("FEMA")

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Rules

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 ("FEMA Rules") to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment ("FDI") under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

The Foreign Trade (Development and Regulation) Act, 1992 ("Foreign Trade Act")

The Foreign Trade Act includes provisions which govern and facilitate the imports and exports to and from India. Imports and exports are permitted by persons who hold an "Importer-exporter code number" ("IEC"). Such imports and exports must be carried out in accordance with the laws and the export and import policy issued by the Central Government, from time to time. In the event of any contravention of the laws relating to central excise or customs or foreign exchange or any other economic offence under any other law for the time being in force as may be specified by the Central Government by notification in the Official Gazette or if an export or import has been carried out in a manner gravely prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or has brought disrepute to the credit or the goods of the country, these instances may result in the suspension and cancellation of the IEC number.

Customs Act, 1962 ("Customs Act")

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any company intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under FTDR. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, GoI.

V. <u>Environmental laws and regulations</u>

Environment Protection Act, 1986 ("Environment Act")

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate the activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe:

(i) the standards of quality of air, water or soil for various areas;
(ii) the maximum allowable limits of concentration of various environmental pollutants for different areas;
(iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("State PCB"). The Water Act also provides that the consent of the State PCB must be obtained prior to establishing any industry, operation or process or any treatment and disposal system, opening of any new outlets or making any new discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act requires any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, apply in a prescribed form and obtain consent from the PCB prior to commencing any activity. The PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules define the term 'hazardous waste' to include any waste which by reason of physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive characteristics cause danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances including waste specified in the schedules to the Hazardous Waste Rules. In terms of the Hazardous Waste Rules, occupiers, being persons who have control over the affairs of a factory or premises or any person in possession of hazardous or other waste, have been, inter alia, made responsible for safe and environmentally sound management of hazardous and other wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for handling, generation, collection, storage, packaging, transportation, usage, treatment, processing, recycling, recovery, pre-processing, co-processing, utilising, selling, transferring or disposing hazardous or other waste.

HISTORY AND CERTAIN CORPORATE MATTERS

History and background

Our Company was incorporated under the provisions of the Companies Act, 1956 as "Swastic Niwas Private Limited" on August 23, 1991, as a private limited company vide Certificate of Incorporation issued by Registrar of Companies, West Bengal. Subsequently, the name of our Company was changed to "Global Stones Private Limited" pursuant to Special Resolution passed by the shareholders of our Company at their Extra-Ordinary General Meeting held on May 17, 2004 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, West Bengal on May 28, 2004. Subsequently, the name of our Company was changed to "Global Surfaces Private Limited" pursuant to a Special Resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 07, 2021 and a fresh Certificate of Incorporation dated October 20, 2021 was issued by the Registrar of companies, Jaipur. Thereafter, our Company was converted into a public limited company and the name was changed to "Global Surfaces Limited" pursuant to Special Resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 07, 2021 and a fresh Certificate of Incorporation dated October 21, 2021 was issued by the Registrar of Companies, Jaipur. In the year 2021, the registered office of our Company has been shifted from Kolkata, West Bengal to Jaipur, Rajasthan pursuant to Certificate of Registration of Regional Director order for Change of State dated January 15, 2021. The Corporate Identity Number of our Company is U14100RJ1991PLC073860.

Corporate profile of our Company

For information on our Company's business profile, activities, services and managerial competence, please refer to the chapters titled "*Our Management*", "*Our Business*" and "*Industry Overview*" beginning on pages 204, 168 and 132, respectively of this Draft Red Herring Prospectus.

Changes in the Registered Office of our Company since incorporation

The registered office of our Company is situated at Plot no. PA-010-006, Engineering & Related Industries, SEZ, Mahindra World City (Jaipur), Tehsil-Sanganer - 302 037, Jaipur, Rajasthan. The changes in the registered office of our Company since the date of its incorporation are mentioned below:

Date	Registered Office Address	Reason for Change
Incorporation	2 Tarak Dutta Road, Calcutta 700019	-
April 01, 1992	5 Burroshivtolla, Main Road, Calcutta-700038	Administrative convivence
October 01, 1998	1 Sadar Sankar Road, Culcutta-700026	Administrative convivence
March 05, 2021	Plot no. PA-010-006, Engineering & Related Industries, SEZ, Mahindra World City (Jaipur), Tehsil-Sanganer-302037, Jaipur, Rajasthan.	Administrative convivence

Key events and milestones

Year	Key Events/ Milestone/ Achievements
1992	Incorporation of our Company.
2004	Change in our Company's name and line of business from real estate and construction to processing of natural stones. In line with the change in business operations, Unit I located at Bagru (Jaipur) was acquired by our Company through DRT auction.
2005	Entered the global market and received recognition for export achievement with respect to granites and marbles slates from CAPEXIL
2007	Received recognition for Outstanding achievements in business excellence. Outstanding Quality Performance Award from Indian Organisation for Commerce

	& Industry.
2015	Upgradation of plant and machinery installed at Unit I.
2016	Crossed annual turnover of ₹ 500 Million.
2017	Laid down the foundation stone of Unit II located at Sanganer (Jaipur) for undertaking business of manufacturing engineered quartz.
2018	Commenced production of engineered quartz at Unit II.
2019	Crossed annual turnover of ₹ 1000 Million.
2020	Our Company being featured in India's Growth Champions 2020 as nation's fastest growing companies by the Economic Times and Statista
2020	Incorporated Global Surfaces Inc., a foreign subsidiary in U.S.A.
2020	Installed solar panels in both units as part of the Go Green Initiative and implemented ERP system.
2021	Incorporated Global Surfaces FZE, a wholly owned subsidiary in U.A.E.
2022	Commenced construction of the Proposed Facility at The Jebel Ali Free Zone, Dubai, U.A.E.

Awards, accreditation & recognitions

a) Awards

Sr. No.	Certification/ Awards	Issuing Authority	Certificate No.	Date of Issue	Validity
1.	Fast Enterprises - Category Manufacturing	Asia Pacific Enterprise Awards	APEA/2020/REG/011	November 20, 2020	N.A.
2.	Best Employer Brand Award	Employer Branding Institute- India	N.A.	June 27, 2018	N.A.
3.	Fastest Growing Industrial & Business Development Award	Indian Organisation for Commerce and Industry	N.A.	April 07, 2018	N.A.
4.	Excellence Award for Industrial Development	Indian Economic Development & Research Association	N.A.	2018-19	N.A.
5.	Fastest Growing Industrial Excellence Award	Indian Organisation for Commerce and Industry	N.A.	November 12, 2016	N.A.
6.	Special Export Award	CAPEXIL	N.A.	2015-16 & 2016-17	N.A.
7.	Emerging Enterprise of India	India SME Forum	N.A.	2016-17	N.A.

8.	Rajasthan State Award for Export Excellence	Government of Rajasthan – Department of Industries	N.A.	2016-17	N.A.
9.	Worldwide Achievers-Business Leaders Summit Award	Worldwide Achievers Private Limited	N.A.	2016	N.A.
10.	Certificate of Export Recognition	CAPEXIL	N.A.	December 26, 2013	N.A.
11.	Special Export Award	CAPEXIL	N.A.	December 26, 2013	N.A.
12.	Certificate of Export Recognition	CAPEXIL	N.A.	September 30, 2011	N.A.
13.	Certificate of Export Recognition	CAPEXIL	N.A.	March 04, 2011	N.A.
14.	Outstanding Quality Performance Award	Indian Organisation for Commerce and Industry	N.A.	December 29, 2008	N.A.
15.	Certificate of Export Recognition	CAPEXIL	N.A.	November 10, 2008	N.A.
16.	Certificate of Export Recognition	CAPEXIL	N.A.	October 01, 2007	N.A.
17.	Certificate of Export Recognition	CAPEXIL	N.A.	September 21, 2006	N.A.

b) Certifications

Sr. No.	Certification/ Awards	Issuing Authority	Certificate No.	Date of Issue	Validity
1.	Certificate of Compliance	UK Certification & Inspection Limited	CE-11980	January 27, 2021	January 26, 2024
2.	ISO 45001: 2018 Certification	AQC Middle East FZE	21IOGS11/R2	January 27, 2021	January 26, 2024
3.	Greenguard Compliance	UK Certification & Inspection Limited	UQ-2021012741	January 20, 2021	January 26, 2024
4.	Kosher Certificate	UK Certification & Inspection Limited	UQ-2021012742	January 20, 2021	January 26, 2024
5.	Certificate for NSF/ ANSI 51 compliance	NSF International	C0481318 – 01	January 21, 2020	Perpetual

Sr. No.	Certification/ Awards	Issuing Authority	Certificate No.	Date of Issue	Validity
6.	Certificate for NSF/ ANSI 51 compliance	NSF International	C0481319 – 01	January 21, 2020	Perpetual
7.	ISO 9001:2015 Certification	AQC Middle East LLC	22IQJQ09	January 20, 2022	January 19, 2025
8.	ISO 14001:2015	AQC Middle East LLC	22IEJL10	January 20, 2022	January 19, 2025

Main objects of our Company

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

To establish and carry on all or any industry, trade or business of preparing, manufacturing, fabricating, designing, engrave, glazing, mining, cutting, crushing, grinding, sawing, polishing, washing, screening, acidizing. excavating, digging, breaking, acquiring, survey, processing, treating, waxing and preparing for marketing, suppliers , indenters, merchants, consignors, Importing, exporting, trading, dealing in all types of marble, granite, quartz, quartz stone or quartzite including rough and polish stones, slabs, logs, rocks of natural and artificial stones, silica, tiles, laterities, limestone , sand stone, kota stone, jaisalmeer yellow stone or any types of stones, stone cladding slabs, tiles flanges, joints, pipes, casting including iron and steel and other materials made usually and partly of iron, steel alloys and metals products required In or used for Industrial, defense, agricultural, transport, commercial, domestic, building power transmission and for construction purposes including the rerolling activity and the activity of generation of power for captive consumption and/or for sate/transmission and all types of stone furniture's, sculptures, statues, painting monuments etc.. and color stones of every description and any type, including setting processing, trading or dealing into waste and by products arising from the mining or processing of marbles, color stones and any types or description of stones etc.

To procure, purchase, take on lease, sub-lease. contract or otherwise acquire and deal with any mines, mining rights and concession and prospecting or development rights at any place and to acquire by purchase. lease, sub- lease, contract or otherwise land containing minerals of all description including marble, granite, quartz, lignite, basemetals, precious, semi-precious, stones, decorative stones and rocks and minerals of economic/industrial importance in any part of the world and any interest therein and to explore, work, develop and turn to account the same.

Changes in Memorandum of Association

Except as stated below, there has been no change in the Memorandum of Association of our Company, in the last ten years:

Sr. No.	Particulars of Amendment	Date of General Meeting	Effective Date of Amendment
1.	<u>Alteration of the Object Clause:</u> Alteration of the Main Object Clause of the Memorandum of Association	May 19, 2014	February 12, 2015
2.	<u>Alteration of the Capital Clause:</u> Increase in Authorized share capital of our Company from ₹ 22,500,000/- comprising of 2,250,000 Equity	August 03, 2015	August 11, 2015

Sr. No.	Particulars of Amendment	Date of General Meeting	Effective Date of Amendment
	Shares of ₹ 10/- each to ₹ 32,500,000/- comprising of 3,250,000 Equity Shares of ₹ 10/- each		
3.	Alteration of the Capital Clause: Increase in Authorized share capital from ₹ 32,500,000/- divided into 32,50,000 Equity Shares of Rs. 10/- each to ₹ 67,500,000/- divided into 6,750,000 Equity Shares of Rs. 10 each	January 20, 2017	February 03, 2017
4.	Alteration of the Object Clause: Alteration of the Main Object Clause of the Memorandum of Association	January 20, 2017	February 03, 2017
5.	Alteration of the Registered Office Clause: Shifting of Registered Office from the State of West Bengal to the State of Rajasthan	October 15, 2020	March 05, 2021
6.	Alteration of the Capital Clause: Increase in Authorized share capital from ₹ 67,500,000/- divided into 6,750,000 Equity Shares of ₹ 10/- each to ₹ 200,000,000/- divided into 2,00,00,000 Equity Shares of Rs. 10 each	April 10, 2021	June 16, 2021
7.	Alteration of the Name Clause: Name changed from *Global Stones Private Limited* to *Global Surfaces Private Limited*	October 07, 2021	October 20, 2021
8.	Alteration of the Name Clause: Conversion from private limited company into public limited company	October 07, 2021	October 21, 2021
9.	Alteration of the Capital Clause: Increase in Authorized share capital of our Company from ₹ 200,000,000/- comprising of 20,000,000 Equity Shares of Rs.10/- each to ₹ 460,000,000/- comprising of 46,000,000 Equity Shares of Rs. 10/- each	October 07, 2021	October 26, 2021

Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets etc.

There have been no mergers, amalgamations, revaluation of assets etc. with respect to our Company in the last 10 (ten) years.

Defaults or rescheduling of borrowing with financial institutions/ banks

There have been no defaults or rescheduling of borrowings with any financial institutions/ banks as on the date of the Draft Red Herring Prospectus.

Number of shareholders of our Company

Our Company has 15 (fifteen) shareholders as on the date of filing of this Draft Red Herring Prospectus.

Shareholders agreement and other agreements

Our Company has not entered into any shareholders agreements and other agreements, other than the agreements entered into by it in ordinary course of its business as on the date of this Draft Red Herring Prospectus. There are no inter-se agreements/ arrangements between the shareholders of the Company.

Further, there are no other inter se agreements/ arrangements and clauses/ covenants which are material and which need to be disclosed and that there are no other clauses/ covenants which are adverse/ prejudicial to the interest of the minority/ public shareholders. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholders agreements, inter-se agreements, agreements of like nature.

Strategic and financial partnerships

Our Company does not have any strategic or financial partners.

Non-Compete agreement

Our Company has not entered into any non-compete agreement as on the date of filing this Draft Red Herring Prospectus.

Agreements with strategic partners, joint venture partners and/ or financial partners and other agreements

There are no existing material agreements with strategic partner, joint venture and/or financial partners or other material agreements entered into by our Company.

Details of holding company

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

Details of subsidiary or associate company

As on the date of this Draft Red Herring Prospectus, our Company has two subsidiary companies, namely, Global Surfaces Inc. incorporated in the State of Delaware, USA and Global Surfaces FZE, incorporated in Jebel Ali Free Zone, Dubai, UAE. As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company. For further details, please see *"Our Subsidiaries"* on page 203.

Time and cost overruns in setting-up projects

There have been no instances of time and cost over-runs in respect of our business operations.

Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter *"Our Business"* on page 168 of this Draft Red Herring Prospectus.

Lock-out or strikes

There have been no lock-outs or strikes in our Company since inception.

Changes in the activities of our Company during the last five years

There has been no change in the business activities of our Company during the last five years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Changes in the management

For details of change in management, please see the section 'Changes in our Board during the last three years' in the chapter titled "*Our Management*" on page 204 of this Draft Red Herring Prospectus.

Changes in accounting policies in last three (3) years

There have been no changes in accounting policies of our Company in last three years.

Guarantees provided by our Promoter

Except as disclosed in the chapter titled *"Financial Indebtedness"* on page 306 of this Draft Red Herring Prospectus our Promoter has not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has two Subsidiaries.

1. Global Surfaces Inc. (“GSI”)

Corporate Information

Global Surfaces Inc. is a corporation incorporated on April 20, 2020 in the State of Delaware, USA under the General Corporation Law of the State of Delaware. The registered office of GSI is situated at 8 The Green, STE A, Dover, DE, Kent-19901. GSI operates through virtual office with its registered agent.

GSI is authorised to engage in the business of *inter alia* purchase, sale, supply, and distribution of quartz, marbles, granites and other similar stones.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of GSI is $10,000 divided into 10,000 shares with a par value of $1 each.

GSI has issued, subscribed and paid-up share capital of $10,000 divided into 10,000 shares of $1 each.

Sr. No.	Name of the Shareholders	No. of Equity Shares of $1 each	Percentage of issued Capital
1.	Global Surfaces Limited	9,990	99.99
2.	Mayank Shah	10	0.01
	Total	**10,000**	**100.00**

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of GSI not accounted for by our Company.

2. Global Surfaces FZE

Corporate Information

Global Surfaces FZE is a body corporate incorporated on December 23, 2021 with the Jebel Ali Free Zone, Dubai. The registered office of Global Surfaces FZE is situated at S50902, Jebel Ali Free Zone, Dubai United Arab Emirates.

Global Surfaces FZE is authorised to engage in the business of manufacturing of artificial marbles (engineered quartz).

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Global Surfaces FZE is AED 9,624,900 comprising of 96,249 shares with a par value of AED 100 each.

Global Surfaces FZE has issued, subscribed and paid-up shares of AED 9,624,900 divided into 96,249 shares of AED 100 each.

Sr. No.	Name of the Shareholders	No. of Equity Shares of AED 100 each	Percentage of issued Capital
1.	Global Surfaces Limited	96,249	100
	Total	**96,249**	**100**

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Global Surfaces FZE not accounted for by our Company.

OUR MANAGEMENT

Our Company currently has six directors on its Board, including three independent directors, two executive directors and one non-executive director. One of our six directors is woman director. For details on the strength of our Board, as permitted and required under the Articles of Association, see "*Main Provisions of Articles of Association*" on page 361 of this Draft Red Herring Prospectus.

Our Board

The following table sets forth details regarding our Board of Directors as on the date of filing of this DRHP:

Name, Designation, Address, Occupation, Period of Directorship, Nationality, Term, Date of Birth and DIN	Age (years)	Other Directorships
Mayank Shah *Designation:* Managing Director & Chairperson *Address:* Flat No.706/806, Askhat Nilay, 3 Group Housing Scheme, Hawa Sadak, Civil Line, Jaipur-302006, Rajasthan *Occupation*: Business *Date of Original Appointment:* December 24, 2004 *Date of Appointment at current designation:* March 02, 2019 *Term:5 years w.e.f. March 02, 2019* *Nationality:* Indian *Date of Birth*: March 03, 1978 *DIN:* 01850199	44	*Public Limited Companies:* ▪ Nil *Private Limited Companies:* ▪ Nil *Foreign Companies:* ▪ Global Surfaces Inc. ▪ Global Surfaces FZE *Limited Liability Partnerships:* ▪ Nil
Sweta Shah *Designation:* Executive Director *Address:* Flat No.706/806, Askhat Nilay, 3 Group Housing Scheme, Hawa Sadak, Civil Line, Jaipur-302006, Rajasthan *Occupation*: Business *Date of Original Appointment:* September 11, 2021 *Date of appointment at current designation:* October 07, 2021 *Term:* 5 years w.e.f. September 11, 2021	45	*Public Limited Companies:* ▪ Nil *Private Limited Companies:* ▪ Nil *Foreign Companies:* ▪ Global Surfaces FZE *Limited Liability Partnerships:* ▪ Nil

Name, Designation, Address, Occupation, Period of Directorship, Nationality, Term, Date of Birth and DIN	Age (years)	Other Directorships
Nationality: Indian *Date of Birth*: November 14, 1976 *DIN:* 06883764		
Ashish Kumar Kachawa *Designation:* Non-Executive Director *Address:* B-82/201 Golden Rama Cottage, Raman Marg, Tilak Nagar, Jaipur-302006, Rajasthan, India *Occupation*: Self-employed *Date of Original Appointment: February 11, 2020* *Date of Appointment at current designation:* February 11, 2020 *Nationality:* Indian *Date of Birth*: December 17, 1978 *DIN:* 02530233	43	*Public Limited Companies:* ▪ Nil *Private Limited Companies:* ▪ Merak Exim India Private Limited *Foreign Companies:* ▪ Global Surfaces FZE ▪ Vyom Impex Goods Wholesalers L.L.C. *Limited Liability Partnerships:* ▪ Nil
Dinesh Kumar Govil *Designation:* Non-executive Independent Director *Address:* 501, Royal Paradise Krishna, A-39, Vidyalaya Marg, Tilak Nagar, Jaipur-302004 *Occupation*: Self-employed *Date of Original Appointment:* December 20, 2021 *Date of Appointment at current designation:* March 24, 2022 *Term:* Up to December 19, 2026 *Nationality:* Indian *Date of Birth*: September 13, 1947 *DIN:* 02402409	74	*Public Limited Companies:* ▪ Gravita India Limited ▪ Gravita Infotech Limited ▪ Viva Home Finance Limited *Private Limited Companies:* ▪ Sawan Consulting Private Limited *Foreign Companies:* ▪ Nil *Limited Liability Partnerships:* ▪ Nil

Name, Designation, Address, Occupation, Period of Directorship, Nationality, Term, Date of Birth and DIN	Age (years)	Other Directorships
Yashwant Kumar Sharma *Designation:* Non-executive Independent Director *Address:* Flat No. C-33 Plot No. 17, ECIL CGHS Limited, Aishwaryam Apartment, Sec-4, Dwarka, South West Delhi, Delhi – 110 078 *Occupation*: Professional *Date of Original Appointment:* December 20, 2021 *Date of Appointment at current designation:* March 24, 2022 *Term:* Up to December 19, 2026 *Nationality:* Indian *Date of Birth*: December 06, 1953 *DIN:* 08686725	68	NIL
Sudhir Baxi *Designation:* Non-executive Independent Director *Address:* Baxi House, Ganesh Ghathi, Shastri Circle, Udaipur-313001, Rajasthan *Occupation*: Self - employed *Date of Original Appointment:* December 20, 2021 *Date of Appointment at current designation:* March 24, 2022 *Term:* Up to December 19, 2026 *Nationality:* Indian *Date of Birth*: August 20, 1952 *DIN:* 00092322	69	*Public Limited Companies:* ▪ Fimakem India Limited *Private Limited Companies:* ▪ Nil *Foreign Companies:* ▪ Nil *Limited Liability Partnerships:* ▪ Maxemia Mining LLP

Brief profiles of our Directors

Mayank Shah is the Managing Director of our Company and has been associated with our Company since 2004. He has played an instrumental role in acquisition and revival of a sick industrial unit (Unit I) which eventually became the pillar of support of our Company's operations. Our Company was able to tap international markets though Mr. Shah's vision and resources. Our Company was able to diversify its business into manufacturing of engineered quartz under Mr. Shah's tutelage. Mr. Shah holds a Bachelors' degree in Commerce (1999) from University of Calcutta and has about 18 years' experience in the natural and engineered stone industry. He looks after various aspects of the Company's business including planning, procurement, finance, monitoring and execution.

Sweta Shah is the Executive Director of our Company. She holds a Bachelors' degree in Commerce (1997) from the University of Calcutta. She has an experience of approximately 2 years working as a Chief Executive Officer in our Company and has been associated with the Company since September 11, 2021. She looks after Administration & Marketing of our Company.

Ashish Kumar Kachawa is the Non-Executive Director of our Company. He holds a Bachelors' degree in Commerce (2001) from University of Jodhpur. He has worked as a Business Consultant in the past and has subsequently worked as a Marketing Manager in Basecase General Trading LLC, Dubai, UAE. Recently, Mr. Kachawa has joined Tyche Advisory Corporate Services LLC, Dubai, UAE as a its Research Studies Manager.

Dinesh Kumar Govil is an Independent Director of our Company. He holds Bachelor of Engineering (Agriculture) degree from University of Udaipur and has done Post Graduate Management Programme in Agriculture from Indian Institute of Management (IIM) Ahmedabad. Mr. Govil has over three decades of experience in Banking and Finance industry. He has worked with BOB Housing Finance Ltd., Jaipur in the capacity of Deputy General Manager for about 33 years. He has also been on the board of various Gramin Banks sponsored by Bank of Baroda for about 5 years.

Yashwant Kumar Sharma is an Independent Director of our Company. He holds Bachelor of Engineering (Mechanical) degree from Sardar Patel University (Gujrat) and has also complete Diploma in Business Management course from University of Pune. He has worked for over three decades with the India Trade Promotion Organisation as General Manager. Presently, he is a Fellow Member of the Institution of Valuers, and Member of the Institution of Engineers, and a Registered Valuer with the Insolvency and Bankruptcy Board of India.

Sudhir Baxi is an Independent Director of our Company. He holds a master's degree in science. He has over 40 years of experience in teaching, mining, geological exploration, preparation of geological & structural mapping.

Family Relationships between the Directors

None of the directors are related to each other in terms of the definition of 'relative' under Section 2 (77) of the Companies Act, except as set out below:

Name	Relationship
Mr. Mayank Shah and Mrs. Sweta Shah	Husband-Wife

Remuneration details of our Directors

Remuneration details of our Executive Directors

1. Mayank Shah is the Promoter and Managing Director of our Company. He was appointed as an Executive Director with effect from December 24, 2004. Pursuant to a resolution passed by our Board of Directors on March 02, 2019, Mr. Shah has been re-designated as the Managing Director for a period of 5 (five) years commencing from March 02, 2019.

Mr. Shah has entered into an employment agreement dated September 11, 2021 with our Company which includes details of his remuneration. The significant terms of his remuneration are set out below:

Particulars	Remuneration
Remuneration	₹ 9 Million p.a.*
Performance linked Incentives	Performance linked incentives shall be paid as approved by the board of directors.
House Rent Allowance (HRA)	30% of total salary; if housing accommodation provided by Company, then no HRA will be paid
Special Allowance	20% of total salary
Leave Travel Allowances	Twice a year for Self and family, in accordance with Company's policy
Club fees	Not more than two clubs in India, excluding admission and life membership fees
*Other benefits like Gratuity, Provident Fund, Car with Driver, Leave encashment, Medical Insurance, other perquisites, benefits, allowances, reimbursement etc. as applicable to the employees of the company	

*The Board may fix the monthly/ yearly remuneration within the overall permissible limit under the Act and may give increment and other incentives based on industrial standards and his performance.

He has received a remuneration of ₹ 28.35 Million for the financial year 2021-22 in the capacity of Managing Director of the Company.

2. Sweta Shah is the Executive Director of our Company. She was appointed as an Executive Director of our Company with effect from September 11, 2021. Pursuant to a resolution passed in Extraordinary General Meeting by our Shareholders on October 07, 2021, she has been re-designated as the Executive Director.

   The significant terms of her remuneration are set out below:

Particulars	Remuneration
Remuneration	₹ 6.00 Million p.a.*
*Other benefits like Gratuity, Reimbursement Expenses, Provident Fund, Car with Driver, Leave encashment, Medical Insurance, other perquisites, benefits, allowances, reimbursement etc. as applicable to the employees of the company	

*The Board may fix the monthly/ yearly remuneration within the overall permissible limit under the Act.

She has received a remuneration of ₹ 6.36 Million for the financial year 2021-22 in the capacity of Executive Director of the Company.

Remuneration details of our Non-Executive Directors

Pursuant to the resolution of our Board dated December 20, 2021, our Non-Executive Directors and Non-Executive Independent Directors are entitled to receive a sitting fee of ₹ 15,000/- for attending each meeting of our Board or a Committee, as may be decided by the Board.

Our Company does not pay any remuneration to our Non-Executive and Non-Executive Independent Directors as an annual remuneration/ commission.

Our Company has paid sitting fees of ₹ 90,000/- during the FY 2021-22.

Bonus or profit-sharing plan for the Directors

Our Company does not have a bonus or profit-sharing plan for the Directors.

Shareholding of our Directors

Except as mentioned below, none of the Directors hold equity shares in our Company as on the date of this Draft Red Herring Prospectus:

Particulars	Number of Shares	Percentage of Holding (%)
Mayank Shah	24,906,368	73.55
Sweta Shah	3,549,000	10.48
Total	**28,455,368**	**84.03**

Service contracts with Directors

There are no service contracts entered into with any of our Directors which provide for any benefit upon termination of employment.

Arrangements with major shareholders, customers, suppliers or others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the directors or KMPs were selected as a director or KMP or member of a senior management as on the date of this Draft Red Herring Prospectus

Appointment of relatives of our Directors to any office or place of profit

Other than as disclosed in this DRHP, none of the relatives of our Directors currently hold any office or place of profit in our Company.

Interest of our directors

Our Directors are interested in our Company in the following manner:

a. Our Promoter and Director namely Mr. Mayank Shah, may be deemed to be interested in the promotion of our Company. For further details, please refer to chapter titled *"Our Promoter and Promoter Group"* beginning on page 223 of this Draft Red Herring Prospectus.

b. Our Directors may be deemed as interested in our Company to the extent of the equity shares held by them or any equity shares that may be subscribed by or allotted to them from time to time. For further details, please refer to chapter titled "*Our Management – Shareholding of our Directors* " and "*Capital Structure*" beginning on pages 209 and 85 respectively of this Draft Red Herring Prospectus. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the equity shares held by them.

c. Our Non-Executive Directors and Independent Directors may be deemed to be interested in our Company to the extent of fees payable to them for attending meetings of our Board or Committees thereof and reimbursement of expenses payable pursuant to our Articles of Association.

d. Our Executive Directors may be deemed to be interested in our Company to the extent of remuneration payable to them and reimbursement of expenses payable pursuant to our Articles of Association.

e. Mr. Mayank Shah, Promoter and Managing Director has extended personal guarantees against the loans availed by the Company and may deemed to be interested to that extend, for further details, please refer to chapter titled "*Financial Indebtedness"* beginning on page 306 of this Draft Red Herring Prospectus.

f. Save and except as stated below, our Directors have no interest in any property acquired or proposed to be acquired by our Company two (2) years prior to the date of this Draft Red Herring Prospectus:

- Mrs. Sweta Shah, our Executive Director, has agreed to provide on leasehold basis, second floor premises admeasuring about 2785 sq. ft. or thereabouts situated on Plot No. 18 and 19, Income Tax Colony, Suraj Nagar West, Civil Lines, Jaipur, Rajasthan to our Company for a period of 118 months effective from July 1, 2022 for the purpose of providing residential accommodation to our KMPs and their family members. Our Company has agreed to pay a monthly rent of Rs. 0.10 Million to Mrs. Sweta Shah with an escalation of 10% in the monthly lease rentals after every 33 months. Further, our Company has been granted a rent-free period of twenty-four months (upto June 30, 2022) to construct the aforesaid premises. As on March 31, 2022, we have incurred a sum of Rs. 55.77 Million towards construction of the aforesaid premises.

g. Except the loan availed by Mr. Mayank Shah, Promoter and Managing Director, from our Company in the FY 2021-22 none of our Directors have availed any loan from us. Our Directors may be deemed to be interested to the extent of loans extended to the related parties. For further details, please refer to "*Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Statements"* beginning on page 272 of this Draft Red Herring Prospectus.

Director's association with the securities market

We confirm that none of our Directors are associated with the securities market.

Confirmations

None of the abovementioned Directors are debarred from accessing the capital market by the SEBI nor are they promoter or director of any other company which is debarred from accessing the capital market by SEBI.

None of the abovementioned Directors are on the RBI list of Wilful Defaulters as on the date of filing of this Draft Red Herring Prospectus.

None of the abovementioned Directors have been declared as Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.

None of the abovementioned Directors have been declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 01, 2016

Our Directors are not and were not, during the five years preceding the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

None of our Directors were or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of Change	Reason for Change
Rajiv Shah	12.02.2020	Resignation as Executive Director
Ashish Kumar Kachawa	11.02.2020	Appointment as Non-Executive Director
Aseem Sehgal	11.02.2020	Appointment as Non-Executive Director
Sweta Shah	11.09.2021	Appointment as Additional Executive Director
Aseem Sehgal	01.10.2021	Resignation as Non-Executive Director
Dinesh Kumar Govil	20.12.2021	Appointment as Independent Director
Yashwant Kumar Sharma	20.12.2021	Appointment as Independent Director
Sudhir Baxi	20.12.2021	Appointment as Independent Director

Borrowing Powers

The Articles, subject to the provisions of the Companies Act, authorize 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 resolution passed at the general meeting held on April 25, 2022 authorized the Board to borrow, enhance and grant facility for the general, working capital and such other corporate purposes, from time to time as the board may think fit, any sum or sums of money which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose, provided that the total amount of money so borrowed shall not at any time exceed the limit of ₹ 4,000,000,000/- (Rupees Four Thousand Million only) on such terms and conditions as the Board may deem fit.

Further the Board has been authorized to mortgage/ charge/ hypothecate all or any of the immovable or movable properties of the Company including under hire purchase scheme both present and future and/ or whole or substantially the whole of the undertaking or undertakings of the Company on such terms and conditions as the Board may deem fit, for securing any loans and/or advances already obtained or that may be obtained from bank(s), financial institution(s), others, entities or any combination thereof from time to time and at any time and in one or more tranches. However, the total underlying charge created/to be created shall not exceed ₹ 4,000,000,000/- (Rupees Four Thousand Million only) at any time.

Corporate Governance

The provisions of Listing Agreement to be entered into with the Stock Exchange(s) and the applicable regulations of SEBI LODR Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with Stock Exchange(s), the SEBI LODR Regulations, the SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the board's supervisory role from the executive management team and constitution of the Board committees, each as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board comprises of 6 (six) directors. In compliance with the requirements of the Companies Act and Regulation 17 of the SEBI LODR Regulations, we have 2 (two) executive directors one of whom is also the Managing Director of our Company and 1 (one) of our executive directors is a woman director on our Board, 1 (one) non-executive director and 3 (three) non-executive independent directors.

Committee of the Board in accordance with the SEBI LODR Regulations and other applicable laws:

In terms of the SEBI LODR Regulations and the provisions of the Companies Act, 2013 or other applicable laws, our Company has constituted the following Board-level committees:

(i) Audit Committee;
(ii) Nomination and Remuneration Committee;
(iii) Stakeholders' Relationship Committee.

Audit Committee

The Audit Committee currently consists of:

Name	Position in the Committee	Designation
Dinesh Kumar Govil	Chairman	Independent Director
Yashwant Kumar Sharma	Member	Independent Director
Mayank Shah	Member	Managing Director

Our Audit Committee was constituted by a resolution of our Board dated March 01, 2022, in compliance with the Companies Act and SEBI LODR Regulations. The role of the Audit Committee shall be in accordance with section 177 of the Companies Act and as per Regulation 18 and Part C of Schedule II of SEBI LODR Regulations. The role of the Audit Committee includes 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. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approve payment to statutory auditors for any other services rendered by the statutory auditors;
4. review, with the management, the annual financial statements and auditor's report thereon 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) modified opinion(s) in the draft audit report;

5. review, with the management, the quarterly financial statements before submission to the board for approval;
6. review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation 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 and performance, and effectiveness of audit process;
8. Subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto. Such approval can be in the form of omnibus approval of related party transactions, subject to conditions not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the SEBI LODR Regulations;
9. Subject to review by our Board, review on quarterly basis, of related party transactions entered into by our Company pursuant to each omnibus approval given pursuant to 6 above;

   Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI LODR Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
10. scrutinize inter-corporate loans and investments;
11. valuation of undertakings or assets of the Company, wherever it is necessary;
12. evaluation of internal financial controls and risk management systems;
13. review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. review 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;
15. discussion with internal auditors of any significant findings and follow up there on;
16. review 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;
17. 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;
18. 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;
19. to review the functioning of the whistle blower mechanism;
20. Oversee the procedures and processes established to attend to issues relating to the maintenance of books of accounts, administrations procedures, transactions and other matters having a bearing on the financial position of our company, whether raised by the auditors or by any other person;
21. Act as a compliance committee to discuss the level of compliance in our Company and any associated risks and to monitor and report to the Board on any significant compliance breaches;
22. Approve the appointment of chief financial officer (i.e the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
23. Oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns; and
24. Carrying out any other function as is mentioned in the terms of reference of the audit committee and any other terms of references as may be decided by the board of directors of our company or specified/provided under the Companies Act, 2013 or by the SEBI LODR Regulations or by any other regulatory authority.

25. Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.

The Audit Committee shall mandatorily review the following information:

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

The powers of the Audit Committee are as mentioned below:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee of our Company;
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
6. To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee currently consists of:

Name	Position in the Committee	Designation
Dinesh Kumar Govil	Chairman	Independent Director
Yashwant Kumar Sharma	Member	Independent Director
Sudhir Baxi	Member	Independent Director

Our Nomination and Remuneration Committee was constituted pursuant the resolution passed by our Board at their meeting held on March 01, 2022 in compliance with Section 178 of the Companies Act and as per Regulation 19 and Part D of Schedule II of SEBI LODR Regulations.

The role of the Nomination and Remuneration Committee shall be in accordance with Section 178 of the Companies Act and as per Regulation 19 and Part D of Schedule II of SEBI LODR Regulations The terms of reference of the Nomination and Remuneration Committee include the following:

a. To be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

b. To formulate 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; The NR Committee, while formulating the above policy, should ensure that:

(i) The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short term and long-term performance objectives appropriate to the working of the Company and its goals.

c. To identify 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 their appointment and removal;
d. To devise a policy on diversity of board of directors;
e. To regularly review the Board structure, size, composition and make recommendations to the Board of adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further to make determinations regarding independence of members of the Board;
f. To consider succession and emergency planning, taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;
g. To keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the market place;
h. To formulate criteria for evaluation of performance of independent directors and the board of directors;
i. To decide on 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;
j. To analyze, monitor and review various human resource and compensation matters;
k. Annual performance evaluation of the Chairman of the Company and all Directors including Managing and other Executive Director with respect to their roles as Directors;
l. To ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
m. To recommend to the Board whether to reappoint a Director/Independent Director at the end of their term of office;
n. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company subject to the provision of the law and their service contract;
o. To identify and recommend Directors who are to be put forward for retirement by rotation;
p. Before appointment is made by the Board, to evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment;
q. To ensure the development of guidelines for selecting candidates for election or re-election to the Board, or to fill vacancies on the Board;
r. To consider any other matters as may be requested by the Board;
s. 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:

(i) Use the services of an external agencies, if required;
(ii) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
(iii) Consider the time commitments of the candidates.

t. To frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, by the Company and its employees, as applicable including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and
(iii) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The duties of the Committee in relation to its remuneration function shall be:

u. To consider and determine, based on their performance and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board and the Key Managerial Personnel, namely,
(i) base salary (the Committee shall also consider the pension consequences of basic salary increases);
(ii) bonuses and performance-related payments (including profit-sharing schemes);
(iii) discretionary payments;
(iv) pension contributions;
(v) benefits in kind; and
(vi) share options and their equivalents

v. To approve the remuneration of other members of the senior management of the Company;
w. To review and approve compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
x. In relation to the above, the Committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company;
y. To perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
z. To administer the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
    (i) Determining the eligibility of employees to participate under the ESOP Scheme;
    (ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
    (iii) Date of grant;
    (iv) Determining the exercise price of the option under the ESOP Scheme;
    (v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
    (vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
    (vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
    (viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
(x) The grant, vest and exercise of option in case of employees who are on long leave;
(xi) Allow exercise of unvested options on such terms and conditions as may deem fit;
(xii) The procedure for cashless exercise of options;
(xiii) Forfeiture/ cancellation of options granted;
(xiv) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
(xv) The number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
(xvi) For this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
(xvii) The vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

aa. To construe and interpret the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
bb. To consider any other matters as may be requested by the Board; and
cc. To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The committee is authorized by the Board to:

a. investigate any activity within its terms of reference;
b. seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
c. call any director or other employee to be present at a meeting of the Committee as and when required. If the Committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorized by the Board.

Stakeholders' Relationship Committee

Our Stakeholders' Relationship Committee currently comprises:

Name	Position in the Committee	Designation
Dinesh Kumar Govil	Chairman	Independent Director
Yashwant Kumar Sharma	Member	Independent Director
Sudhir Baxi	Member	Independent Director

Our Stakeholders' Relationship Committee was constituted pursuant to the resolution passed by our Board at their meeting held on March 01, 2022, in compliance with Section 178 of the Companies Act and the SEBI LODR Regulations.

The Stakeholders' Relationship Committee shall oversee all the matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

a) Consider and resolve the grievances of security holders of the Company including Investors' Complaints;
b) Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lien of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
c) Redressing of shareholders and investors complaints such as non-receipt of declared dividend, annual report, transfer of Equity shares and issue of duplicate / split / consolidated share certificates;
d) Monitoring transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;
e) Reference to statutory and regulatory authorities regarding investor grievances;
f) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
g) Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted meeting.
h) To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.
i) Review of measures taken for effective exercise of voting rights by shareholders.
j) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
k) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution passed our Board on March 01, 2022. The current constitution of the Corporate Social Responsibility Committee is as follows:

Our Corporate Social Responsibility Committee currently comprises:

Name of the Member	Nature of Directorship	Designation in Committee
Dinesh Kumar Govil	Independent Director	Chairman
Yashwant Sharma	Independent Director	Member
Sweta Shah	Director	Member

The terms of reference, powers and scope of the Corporate Social Responsibility Committee of our Company is in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder and make any revisions therein as and when decided by the Board;

b) To identify corporate social responsibility policy partners and corporate social responsibility policy programs;

c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

e) To review and monitor the implementation of corporate social responsibility programs and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs; and

f) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

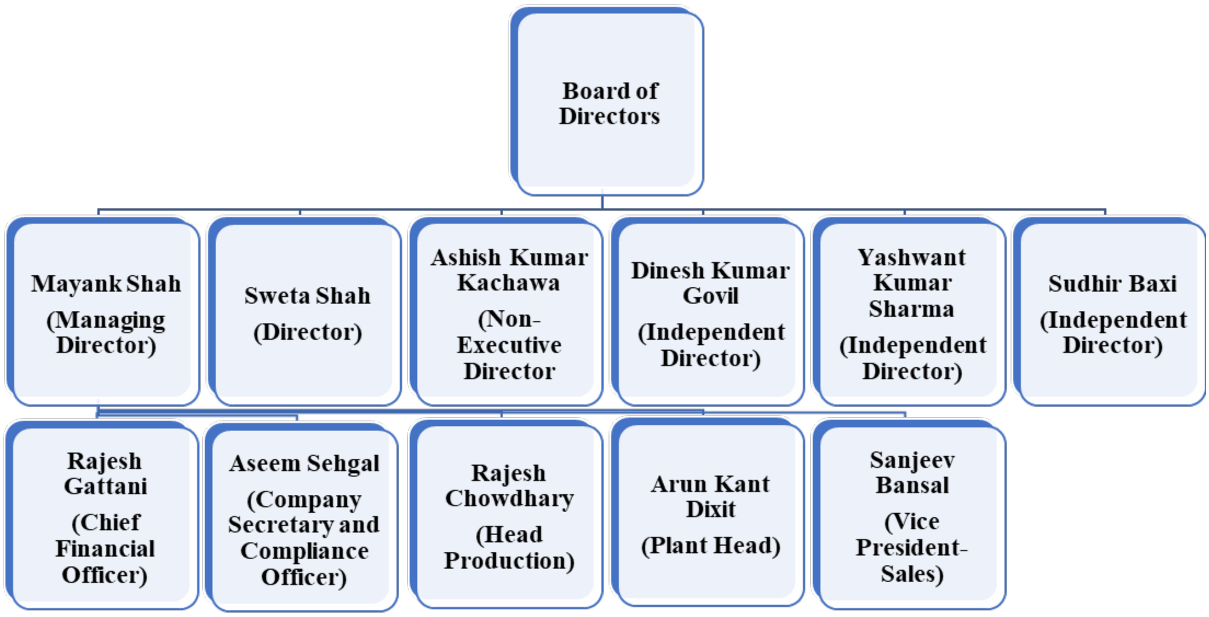
g) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Other committees

(i) Internal Complaints Committee for redressal of sexual harassment complaints

In addition to the committees of our Board detailed above, our Board may, from time to time, constitute committees for various functions.

Management Organization Structure



Key Managerial Personnel

(i) Mr. Mayank Shah, our Managing Director; (ii) Mr. Rajesh Gattani, our Chief Financial Officer; and (iii) Mr. Aseem Sehgal, our Company Secretary & Compliance Officer are the Key Managerial Personnel of our Company as defined under Section 2(51) of the Companies Act.

All the Key Managerial Personnel are permanent employees of our Company. The details of key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as follows:

Brief profiles of our Key Managerial Personnel

For a brief profile of Mr. Mayank Shah, please see "*Our Management – Brief Profiles of our Directors*" on page 206 of this Draft Red Herring Prospectus.

The details of our other Key Managerial Personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Rajesh Gattani, aged 32 years, is the Chief Financial Officer of our Company. He has been associated with our Company since June 07, 2018 and has been appointed as the Chief Financial Officer of the Company w.e.f. October 07, 2021. He is an associate member of the Institute of Chartered Accountant of India and holds a bachelor's degree in commerce from University of Rajasthan. He has an overall experience of nearly 8 years in accounts and finance industry. Prior to joining our Company, he has worked with M/s. Surendra Gupta & Associates, Chartered Accountants as Senior Manager – Audit & Taxation. He has earned a remuneration of ₹ 1.36 Million for the financial year 2021-22.

Aseem Sehgal, aged 34 years, is an Associate member of the Institute of Company Secretaries of India and has completed Master of Business Administration from R.A. Podar Institute of Management, Rajasthan University. He is having more than 12 years of experience in Sales, Supply chain and finance. Mr. Sehgal started his career by working with Bharti Airtel in finance and supply chain function as Senior Executive-SCM and thereafter, headed the ERP & Logistics department in Godrej and Boyce Manufacturing Company. He is also associated as Non-Executive Independent Director of Simbhaoli Sugars Limited and Fliegen India Private Limited. He has earned a remuneration of ₹ 0.72 Million for the financial year 2021-22.

Brief Profiles of our Senior Management Personnel:

Sanjeev Bansal is the Vice President – Sales and Marketing, of our Company. He has been associated with our Company since July 2018. He holds a bachelor's degree in commerce from the Chaudhary Charan Singh University, Meerut. He has an overall experience of 30 years in sales & marketing, business development, product promotion and client relationship management in various industries.

Arun Dixit is the General Manager. He has been associated with our Company since November 2007. He holds a bachelor's degree in science from University of Agra and master's degree in science from the Sukhadia University, Udaipur. He has an overall experience of 30 years in Stone industry. He looks after the Operations and Production of our natural stone unit.

Ashish Agarwal is the Accounts Manager. He has been associated with our Company since July 20, 2021. He holds a bachelor's degree in commerce from University of Rajasthan and master's degree in commerce from University of Rajasthan. He is an associate member of the Institute of Chartered Accountant of India. He has an experience of over 4 years in taxation and accountancy.

Rajesh Choudhary is the Production Manager. He has been associated with our Company since September 01, 2018. He holds bachelor's degree in science from Gujrat University. He has over 20 years of experience in research and development of products, quality control, production, and testing of raw materials in laboratory.

Relationship among Key Managerial Personnel and among Key Managerial Personnel and Directors

Our Key Managerial Personnel are neither related to each other nor related to any of the Directors of our Company:

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been appointed.

Bonus or profit-sharing plan for the Key Managerial Personnel

There is no bonus or profit-sharing plan for the Key Managerial Personnel of our Company.

Shareholding of Key Managerial Personnel

Except as disclosed, none of our Key Managerial Personnel hold any equity shares as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Key Managerial Personnel	Shareholding	Percentage of Shareholding (%)
1.	Mayank Shah	24,906,368	73.55
2.	Rajesh Gattani	175	0.00
3.	Aseem Sehgal	175	0.00

Interest of Key Managerial Personnel

Other than as disclosed in this Draft Red Herring Prospectus, none of the Key Managerial Personnel of our Company have any interests in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Except the loans availed by Mr. Mayank Shah, Promoter and Managing Director and Mr. Rajesh Gattani, Chief Financial Officer of our Company, no loans have been availed by the Key Managerial Personnel from our Company as on date of this filing of this Draft Red Herring Prospectus. For further details please refer to "*Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Statements"* beginning on page 272 of this Draft Red Herring Prospectus.

Except Mr. Mayank Shah, Promoter and Managing Director of our Company, none of our other KMPs have any interest in the promotion of our Company other than in ordinary course of business.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel as on date of this filing of this Draft Red Herring Prospectus.

Changes in Key Managerial Personnel during the last three years

Changes in our Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name	Date of Change	Reasons for Change
Aseem Sehgal	01.02.2020	Cessation as Company Secretary
Sweta Shah	10.09.2021	Cessation as Chief Executive Officer
Aseem Sehgal	07.10.2021	Appointed as Company Secretary
Rajesh Gattani	07.10.2021	Appointed as Chief Financial Officer

Payment or benefit to officers of our Company

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as stated otherwise in this DRHP and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this DRHP or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, officers or employees of our Company, as the case may be.

Employee stock option plan and employee stock purchase plan

Our Company has not issued any shares pursuant to employee stock option scheme.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

Mr. Mayank Shah is the Promoter of our Company. As on the date of this Draft Red Herring Prospectus, our Promoter is holding 24,906,368 equity shares of our Company which constitutes 73.55% of the pre-Offer issued and paid-up equity share capital of our Company.

Mr. Mayank Shah, aged 44 years, is the Promoter and Managing Director of our Company. For a complete profile of Mr. Mayank Shah, i.e. his date of birth, residential address, educational qualification, professional experience, positions held in the past and other directorships, special achievements, please refer to section titled "*Our Management*" beginning on page 204 of this Draft Red Herring Prospectus.

PAN: AJIPS8151M

Our Company confirms that the details of the PAN, Bank Account Number(s), Aadhar card number, driving license number and Passport Number of our Promoter shall be submitted to the Stock Exchange(s) at the time of filing the Draft Red Herring Prospectus.

Our Promoter, Mr. Mayank Shah is also involved in other ventures and business activities in different capacities as listed below:

Mr. Mayank Shah

S. No.	Name of the Entity	Nature of Interest/ Position	CIN/ Registration No. of the Entity
1.	M/s. Global Mining Co.	Partner	N.A.
2.	M/s. Jagdamba Mines & Minerals	Partner	N.A.
3.	M/s. LPI	Partner	N.A.
4.	Mayank Shah HUF	Karta	N.A.
5.	Vatsankit Shah Trust	Trustee	N.A.

Interests of our Promoter

Our Promoter is interested in our Company in the following manner:

Interest in promotion of our Company

Our Promoter is interested in our Company to the extent of the promotion of our Company and to the extent of his respective equity shareholding in our Company and any dividend distribution that may be made by our Company with respect to their equity shares in the future. For details pertaining to our Promoter's shareholding, please refer to chapter titled "*Capital Structure*" beginning on page 85 of this Draft Red Herring Prospectus.

Interest of Promoter in our Company other than as a Promoter

Our Promoter is also interested to the extent that he is Managing Director of our Company. Mr. Mayank Shah is interested to the extent of remuneration, commission, and reimbursement of expenses payable to him by virtue of being Managing Director of our Company. For further information, please refer to chapter titled *"Our Management"* beginning on page 204 of this Draft Red Herring Prospectus.

Interest in the properties of our Company

Save and except the premises taken on lease from Mrs. Sweta Shah, wife of our Promoter, our Promoter does not have any interest in any property acquired in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. For further details, please refer to chapter titled *"Our Management - Interest of our Directors"* and *"Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Information"* beginning on page 209 and 272 respectively of this Draft Red Herring Prospectus.

Other Interest and Disclosures

Our Promoter is also shareholder and director of our Group Company(ies) and may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group Company(ies). For the payments that are made by our Company to our Group Company(ies), please refer to *"Note 40 – Related Party Transactions"* in the chapter titled *"Restated Financial Information"* beginning on page 272 of this Draft Red Herring Prospectus.

Except as stated under "*Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Information"* beginning on page 272 of this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two (2) years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Our Promoter is not related to any sundry debtors of our Company except as disclosed in Restated Financial Statements.

Except as disclosed in this Draft Red Herring Prospectus, our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Promoter Group of our Company

(a) Individual Promoter Group of our Promoter

Relationship with Promoter	Mr. Mayank Shah
Father	Rajiv Shah
Mother	Nisha Shah
Brother	Saurav Shah
Sister	-
Spouse	Sweta Shah
Daughter	Mridvika Shah
Son	Vatsankit Shah
Spouse's Father	Bimal Kumar Agarwal
Spouse's Mother	Karuna Devi Agarwal
Spouse's Brother	Mudit Agarwal
Spouse's Brother's wife	Rashi Agarwal
Spouse's Sister	Stutee Agarwal

(b) Entities forming a part of Promoter Group

As on the date of filling of this Draft Red Herring Prospectus, the following entities form part of our Promoter Group:

Sr. No.	Name of Entities	PAN
1.	M/s. Global Mining Co.	AAKFG0575E
2.	M/s. LPI	AAHFL8830G
3.	M/s. Jagdamba Mines & Minerals	AAIFJ7130J
4.	M/s. Shah Infrastructures	AALFS5814M
5.	M/s. Republic Engineering Co	ACZFR2801D
6.	M/s. R.S. Associates	AABAR8268D
7.	M/s. Laminated Products (India)	AABFL1438L
8.	M/s. N. S. Associates	AADAN0861E
9.	Mayank Shah HUF	AAHHM5353D
10.	Bimal Kumar Agarwal HUF	AACHB1648B
11.	Mudit Agarwal HUF	AAJHM2849G
12.	Vatsankit Shah Trust	AAATV8690B
13.	Glittek Granites Limited	AABCG0782B
14.	Granite Mart Limited	AABCG8488L
15.	Panchmurti Suppliers Limited	AAHCP0861G
16.	Rubiks Agencies & Resorts Private Limited	AAACR3842A
17.	U.S.D. Tea Industries Private Limited	AAACU4242R
18.	Glittek Infrastructure Private Limited	AABCG5600N
19.	Global Castings Private Limited	AACCG9845L
20.	Shah Projects Private Limited	AABCN2989H
21.	Super Towers Private Limited	AAECS5260P
22.	Mayank Commercial Private Limited	AACCM0559P
23.	Gladwin Engineers Private Limited	AABCG1656Q
24.	Virdhi Commercial Co. Limited	AAACV8996P
25.	Divine Surfaces Private Limited	AAGCD1393N
26.	Ava Stones Private Limited	AALCA4152F
27.	Muvi Concept Restaurants Private Limited	AACLM6726H
28.	Muvi Concept Foods Private Limited	AAMCM4952C
29.	MN Masks Private Limited	AANCM4394B
30.	Image Retails LLP	AAFFI3570G
31.	Smooth Commodeal LLP	ACWFS2944K
32.	Sukriti Nirman LLP	ACWFS2943Q
33.	N S A Castings LLP	ABFFM3602G
34.	Divine Stones LLP	AAOFD6401A
35.	SN Luxury LLP	AELFS6300J

Other than as disclosed above, our Company has no other companies or entities that form part of our Promoter Group.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our promoter group as on the date of this Draft Red Herring Prospectus please see chapter titled "*Capital Structure*" on page 85 of this Draft Red Herring Prospectus.

Confirmations

The Company hereby confirms that:

- Our Promoter has not been declared as a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- Our Promoter and members of Promoter Group have not been declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 01, 2016.
- Our Promoter and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoter has not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.
- Our Promoter is not promoter, director or person in control of any other company which is prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Related Party Transactions

For details of related party transactions entered into by our Promoter, Promoter Group and our Company during the last financial three years, the nature of transactions and the cumulative value of transactions, please refer to "*Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Statements"* beginning on page 272 of this Draft Red Herring Prospectus.

Payment or benefits to the Promoter

Except as stated otherwise under " *Note 40 – Related Party Transactions*" in the chapter titled *"Restated Financial Statements"* beginning on page 272 of this Draft Red Herring Prospectus about the related party transactions entered into during the last three (3) Financial Years as per IND AS 24 and in "*Interest of our Promoter*" disclosed in this Chapter, there has been no other payment or benefit to our Promoter or Promoter Group nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Disassociation by the Promoter from entities in last three (3) years

Except as stated below, our Promoter Mr. Mayank Shah, has not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of the Disassociating Entity	Date of Disassociation	Reason for Disassociation
M/s. Republic Engineering Co.	February 11, 2020	Retirement from partnership due to other commitments
Shah Projects Private Limited	February 17, 2020	Resignation from directorship due to other commitments
Gladwin Engineers Private Limited	July 15, 2021	Resignation from directorship due to other commitments

Change in the management and control of our Company

There has been no change in management and control of our Company during the last five years immediately preceding the date of filing of this Draft Red Herring Prospectus.

Material Guarantees

There are no material guarantees given to third parties by the Promoter with respect to specified securities of the Issuer.

Outstanding Litigation

For details of legal and regulatory proceedings involving our Promoter, please refer chapter titled "*Outstanding Litigation and Material Developments*" beginning on page 308 of this Draft Red Herring Prospectus.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered companies with which there were related party transactions, during the period for which financial information is disclosed in the Draft Red Herring Prospectus, as covered under the applicable accounting standards, and also other companies as considered material by the Board as per the materiality policy adopted by the Board pursuant to its resolution dated March 01, 2022 (the "Group Companies Materiality Policy").

In terms of the Group Companies Materiality Policy apart from the companies with which there have been related party transactions during the period for which financial information has been disclosed under this Draft Red Herring Prospectus, a company is considered to be a material Group Company as under:

(i) company in which the investment in the form of equity or voting power, debt or debt instruments by our Company exceeds 20% of the net worth of our Company as per the last audited financial statements for the preceding financial year; and

(ii) where the Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total revenues of our Company as per the last audited financial statements for the last audited financial year.

As per the restated audited financial statements of the preceding three financial years, the following are the Group Companies:

1. Granite Mart Limited
2. Glittek Granites Limited
3. Global Castings Private Limited
4. Shah Projects Private Limited
5. AVA Stones Private Limited
6. Divine Surfaces Private Limited

A. Details of our top five group companies:

The top five Group Companies on the basis of market capitalization / turnover, as the case may be, is as follows:

1. Granite Mart Limited ("GML")

Corporate Information

GML is a company incorporated on June 08, 1999 with the Registrar of Companies, Bangalore. The Corporate Identification Number is U25209KA1999PLC025310. The registered office of GML is situated at 41D, K I A D B Industrial Area, Hoskote, Bangalore – 562 114.

Audited Financial Information

GML does not have a website. Accordingly, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and Net Asset Value (NAV) Per Share derived from the audited financial statements of GML for financial years ended March

31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of our Company at https://globalsurfaces.in/group-companies/.

2. Glittek Granites Limited ("GGL")

Corporate Information

GGL is a company incorporated on October 29, 1990 with the Registrar of Companies, Bangalore. The Corporate Identification Number is L14102KA1990PLC023497. The registered office of GGL is situated at 42, K I A D B Industrial Area, Hoskote, Bangalore – 562 114.

Audited Financial Information

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and Net Asset Value (NAV) Per Share derived from the audited financial statements of GGL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of the Company at http://www.glittek.com/financial-details.php.

3. Global Castings Private Limited ("GCPL")

Corporate Information

GCPL is a company incorporated on October 26, 2007 with the Registrar of Companies, Kolkata. The Corporate Identification Number is U27310WB2007PTC120086. The registered office of GCPL is situated at 1, Sardar Sankar Road 1st floor Kolkata West Bengal 700026.

Audited Financial Information

The details of the reserves (excluding revaluation reserves), sales, profit/ (loss) after tax, basic earnings per share, diluted earnings per share and Net Asset Value (NAV) Per Share derived from the audited financial statements of GCPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of our Company at https://globalsurfaces.in/group-companies/.

4. Shah Projects Private Limited ("SPPL")

Corporate Information

Shah Projects Private Limited is a company incorporated on July 20, 1998 with the Registrar of Companies, Kolkata, West Bengal. The Corporate Identification Number is U70101WB1998PTC087545. The registered office of SPPL is situated at 1st Floor, Sardar Sankar Road, Kolkata-700026, West Bengal.

Audited Financial Information

SPPL does not have a website. Accordingly, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and Net Asset Value (NAV) Per Share derived from the audited financial statements of SPPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of our Company at https://globalsurfaces.in/group-companies/.

5. AVA Stones Private Limited

Corporate Information

ASPL is a company incorporated on March 6, 2013 with the Registrar of Companies, Hyderabad. The Corporate Identification Number is U26960TG2013PTC086137. The registered office of ASPL is situated at Door No.15-31-S3/MMC/607, Manjeera Majestic, Flat 607, Dharmareddy Colony, Hyderabad – 500 072.

Audited Financial Information

ASPL does not have a website. Accordingly, the details of the reserves (excluding revaluation reserves), sales, profit/ (loss) after tax, basic earnings per share, diluted earnings per share and Net Asset Value (NAV) Per Share derived from the audited financial statements of ASPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of our Company at https://globalsurfaces.in/group-companies/.

B. Outstanding Litigation involving the Group Companies

There are no pending litigation involving the group companies which may have a material impact on our Company. For details of litigation involving the Company, kindly refer to chapter *"Outstanding Litigation and Other Material Developments"* on page 144 of this Draft Red Herring Prospectus.

C. Significant Adverse Factors relating to Group Companies:

Common Pursuits of Group Companies

Save and except for Glittek Granites Limited, Granite Mart Limited, Divine Surfaces Private Limited and AVA Stones Private Limited, none of our Group Companies are engaged in business activities similar to that of our Company and accordingly, our Group Companies do not have common pursuits amongst group companies and our Company. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Related business transactions within our Group Companies and significance on the financial performance of the Company

Other than the transactions as disclosed under *Note 40 – Related Party Transactions"* under the chapter *"Restated Financial Statements"* on page 272, there are no other related business transactions within the Group Companies that may have significance on the financial performance of our Company.

Business Interest

Other than as disclosed under *"Note 40 – Related Party Transactions"* under the chapter *"Restated Financial Statements"* on page 272 , there are no other business interests of our Group Companies in our Company.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of our 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.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividends in the last two fiscals and the period between last audited period and the date of filing of this Draft Red Herring Prospectus.

For further details, please refer to section titled *"Financial Information"* beginning on page 232 of this Draft Red Herring Prospectus.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,

The Board of Directors
Global Surfaces Limited (formerly known as "Global Stones Private Limited")
PA-010-006, Kalwara, Mahindra World City S.O
Jaipur, Rajasthan-302037, India

Dear Sirs,

1. This report is issued in accordance with the terms of our engagement letter dated April 01, 2022:

2. We have examined the attached Restated Ind AS Consolidated Financial Information of Global Surfaces Limited (Formerly known as Global Stones Private Limited) (the "Company" [or the "Issuer"]) and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising
   a) the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020,
   b) the Restated Consolidated Statements of Profit and Loss (including other comprehensive income) for the for the years ended March 31, 2022, 2021 and 2020,
   c) the Restated Consolidated Statement of Changes in Equity for the years ended March 31, 2022, 2021 and 2020,
   d) the Restated Consolidated Cash Flow Statement for the years ended March 31, 2022, 2021 and 2020,
   e) the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information") for the years ended March 31, 2022, 2021 and 2020,

   (hereinafter together referred to as the "Restated Consolidated Financial Information")
   as approved by the Board of Directors of the Company at their meeting held on June 17, 2022 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Consolidated Financial Information

3. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Rajasthan in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 1(a) to the Restated Consolidated Financial Information. The respective Board of Directors of the companies responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

4. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information in accordance with the Guidance note on Reports in Company Prospectuses (Revised 2019) and other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India and pursuant to the requirement of Section 26 of the Act, and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibility in relation to your compliance with the Act, SEBI ICDR and the Guidance Note in connection with the issue.

5. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. These Restated Consolidated Financial Information has been prepared by the Company's management from the audited consolidated financial statements of the Group as at and for the year ended March 31, 2022 prepared in accordance with the Indian Accounting Standards ("Ind AS") and from the audited consolidated financial statements of the Group as at and for the year ended March 31, 2021 and audited standalone financial statements of the Company as at and for the year ended March 31, 2020 prepared in accordance with the Accounting Standards ("AS") as prescribed under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on June 17, 2022, October 04, 2021 and December 05, 2020 respectively

7. For the purpose of our examination, we have relied on:
    a) Auditors' reports issued by us dated June 17, 2022, October 4, 2021 on the consolidated financial statements of the Group and Auditors' reports issued by us dated December 05, 2020 on standalone financial statements of the Company as at and for the year ended March 31, 2022, March 31 2021 and March 31, 2020 respectively as referred in paragraph 6 above, on which we issued an unmodified opinion;

Opinion

8. Based on our examination and according to the information and explanations given to us we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the financial years ended March 31, 2022, 2021 and 2020;

b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

c) There are no qualification in the auditor's reports which required any adjustments.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements and audited standalone financial statements.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Emphasis of Matter

12. The auditors' report issued by us dated October 4, 2021 on the consolidated financial statements of the Group as at and for the year ended March 31, 2021 includes the following Emphasis of Matter paragraph:
    a) Note 34 of the Consolidated Financial Statements which describes the management assessment of the impact of COVID-19 on the business operations and their assessment that no adjustments are required in the financial statements as it does not impact the current financial year. However, in view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve;

    b) Note 35 of the Consolidated Financial Statements which describes issues relating to implementation and integration of ERP system and consequential corrective entries passed in the books of accounts to present correct financial values;

13. The auditors' report issued by us dated December 05, 2020 on the standalone financial statements of the Company as at and for the year ended March 31, 2020 includes the following Emphasis of Matter paragraph:

    a) Note 37 to the Standalone Financial Statements which describes the management assessment of the impact of COVID-19 on the business operations and their assessment that no adjustments are required in the financial statements as it does not impact the current financial year. However, in view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Restriction on Use

14. Our report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed Initial Public Offering of the equity shares of the Company. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For B Khosla & Co.
Chartered Accountants
FRN:- 000205C

CA Sandeep Mundra
Partner
M No. 075482

Place: Jaipur
Date: June 17, 2022
UDIN: 22075482ALDSAD9188

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure I - Restated Consolidated Statement of Assets and Liabilities
(All amounts in INR millions, unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
ASSETS				
Non-current assets				
Property, plant and equipment	3	385.12	439.02	507.39
Capital work-in-progress	4	70.75	12.93	-
Right-of-use assets	5	496.48	94.57	91.89
Investment properties	6	-	0.39	0.41
Intangible assets	7	0.41	1.08	1.08
Financial assets				
i. Loans	8	19.93	20.87	17.56
ii. Other financial assets	9	18.43	13.15	9.09
Income tax assets (net)		1.45	1.70	0.25
Deferred tax assets (net)	10	180.35	120.97	65.97
Other non-current assets	11	29.92	8.52	4.05
Total non-current assets		**1,202.84**	**713.20**	**697.69**
Current assets				
Inventories	12	469.14	346.49	236.18
Financial assets				
i. Investments	13	106.63	-	-
ii. Trade receivables	14	389.78	398.01	280.68
iii. Cash and cash equivalents	15	20.34	54.44	5.77
iv. Bank balances other than (iii) above	16	5.93	10.71	7.58
v. Loans	17	92.31	1.44	2.82
vi. Other financial assets	18	6.39	1.57	2.82
Other current assets	19	71.46	64.11	53.75
Total current assets		**1,161.98**	**876.77**	**589.60**
Total assets		**2,364.82**	**1,589.97**	**1,287.29**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	20(a)	338.62	64.50	64.50
Other equity				
Reserves and surplus	20(b)	1,001.72	919.84	580.34
Total equity attributable to the owners of the Company		**1,340.34**	**984.34**	**644.84**
Non-controlling interests		0.00	0.00	-
Total equity		**1,340.35**	**984.34**	**644.84**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	21	107.93	64.58	137.64
ii. Lease liabilities	22	421.50	6.67	2.40
Provisions	23	3.83	5.52	2.55
Total non-current liabilities		**533.26**	**76.77**	**142.59**
Current liabilities				
Financial liabilities				
i. Borrowings	24	264.89	310.02	397.23
ii. Trade payables				
a) Total outstanding dues of micro and small enterprise	25	1.46	7.38	7.89
b) Total outstanding dues of creditors other than (ii)(a) above		186.03	157.60	70.77
iii. Other financial liabilities	26	16.16	15.81	10.29
Provisions	27	0.42	2.23	1.67
Current tax liabilities	28	10.16	27.90	6.64
Other current liabilities	29	12.09	7.92	5.37
Total current liabilities		**491.21**	**528.86**	**499.86**
Total liabilities		**1,024.47**	**605.63**	**642.45**
Total equity and liabilities		**2,364.82**	**1,589.97**	**1,287.29**

The above restated consolidated balance sheet should be read in conjunction with accompanying notes.

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Date: June 17, 2022
Place: Jaipur

For and on behalf of the Board of Directors

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure II - Restated Consolidated Statement of Profit and Loss
(All amounts in INR millions, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Income				
Revenue from operations	30	1,903.13	1,753.71	1,632.91
Other income	31	80.44	36.33	24.89
Total income		**1,983.57**	**1,790.04**	**1,657.80**
Expenses				
Cost of materials consumed	32	986.17	793.53	713.92
Purchases of Stock-in-Trade	33	-	-	1.81
Changes in inventories of finished goods and work- in-progress	34	(119.32)	(74.45)	(3.69)
Employee benefit expenses	35	149.30	122.69	103.79
Depreciation and amortisation expense	36	107.79	130.13	168.61
Finance costs	37	29.63	34.10	52.23
Other expenses	38	468.94	438.74	413.92
Total expenses		**1,622.51**	**1,444.74**	**1,450.59**
Profit before tax		**361.06**	**345.30**	**207.21**
Income tax expense				
- Current tax	39	64.79	61.07	36.90
- Deferred tax		(60.07)	(55.09)	(39.33)
Total tax expense		**4.72**	**5.98**	**(2.43)**
Profit for the Year		**356.34**	**339.32**	**209.64**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	44	1.03	0.29	(1.79)
Income tax relating to above	39	(0.29)	(0.08)	0.50
Items that will be reclassified to profit or loss				
Exchange difference on translation of foreign operation		0.18	(0.03)	-
Income tax relating to above		-	-	-
Other comprehensive income/ (loss) for the year, net of tax		0.92	0.18	(1.29)
Total comprehensive income for the Year		**357.26**	**339.50**	**208.35**
Profit is attributable to :				
Owners of the Company		356.34	339.32	209.64
Non controlling interests		0.00	0.00	-
		356.34	**339.32**	**209.64**
Other comprehensive income/ (loss) is attributable to :				
Owners of the Company		0.92	0.18	(1.29)
Non controlling interests		-	-	-
		0.92	**0.18**	**(1.29)**
Total comprehensive income is attributable to :				
Owners of the Company		357.26	339.50	208.35
Non controlling interests		0.00	0.00	-
		357.26	**339.50**	**208.35**
Earnings per equity share attributable to the owner of parent (in INR)				
Basic earnings per share	46	10.52	10.02	6.19
Diluted earnings per share	46	10.52	10.02	6.19

The above restated consolidated statement of profit and loss should be read in conjunction with accompanying notes.

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Date: June 17, 2022
Place: Jaipur

For and on behalf of the Board of Directors

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure III - Restated Consolidated Statement of Changes in Equity
(All amounts in INR millions, unless otherwise stated)

A. Equity share capital

Particulars	Amount
As at April 01, 2019	**64.50**
Changes in equity share capital	-
As at March 31, 2020	**64.50**
Changes in equity share capital	-
As at March 31, 2021	**64.50**
Changes in equity share capital (bonus issue)	274.12
As at March 31, 2022	**338.62**

B. Other equity

Particulars	Reserves and surplus			Total other equity	Non-controlling interests	Total
	Securities premium	Retained earnings	Other comprehensive income- Foreign Currency Translation Reserve			
As at April 01, 2019	**172.30**	**199.69**	**-**	**371.99**	**-**	**371.99**
Profit for the Year	-	209.64	-	209.64	-	**209.64**
Other Comprehensive loss	-	(1.29)	-	(1.29)	-	**(1.29)**
Total comprehensive income for the year	**-**	**208.35**	**-**	**208.35**	**-**	**208.35**
Balance as at March 31, 2020	**172.30**	**408.04**	**-**	**580.34**	**-**	**580.34**
Profit for the year		339.32		339.32	0.00	339.32
Other comprehensive income	-	0.21	-	0.21	-	0.21
Total comprehensive income for the year	**-**	**339.53**	**-**	**339.53**	**0.00**	**339.53**
Change in foreign currency translation reserve	-	-	(0.03)	(0.03)	-	(0.03)
Transaction with non-controlling interest	-	-	-	-	0.00	0.00
Balance as at March 31, 2021	**172.30**	**747.57**	**(0.03)**	**919.84**	**0.00**	**919.84**
Profit for the year	-	356.34	-	356.34	0.00	356.34
Other comprehensive income	-	0.74	-	0.74	-	0.74
Total comprehensive income for the year	**-**	**357.08**	**-**	**357.08**	**0.00**	**357.08**
Change in foreign currency translation reserve	-	-	0.18	0.18	-	0.18
Adjustment on account of issue of bonus shares	-	(274.12)	-	(274.12)	-	(274.12)
Share issue expenses	-	(1.26)	-	(1.26)	-	(1.26)
Balance as at March 31, 2022	**172.30**	**829.27**	**0.15**	**1,001.72**	**0.00**	**1,001.72**

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

For and on behalf of the Board of Directors

SANDEEP MUNDRA
Partner
M. No. 075482

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

Date: June 17, 2022	**RAJESH GATTANI**	**ASEEM SEHGAL**
Place: Jaipur	Chief Financial Officer	Company Secretary
	PAN:AWYPG6108R	M. No.: A55690

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts in INR millions, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flows from operating activities			
Profit before tax	361.06	345.30	207.21
Adjustments for :			
Depreciation and amortisation	107.79	130.13	168.61
Interest and other finance costs	29.63	34.10	52.23
Provision/ (reversal) for Expected credit loss	1.71	(1.14)	2.22
Bad debts	-	6.64	3.94
Interest income	(5.58)	(2.02)	(1.13)
Gain on sale and revaluation of Mutual Funds	(3.13)	(0.91)	(0.89)
Unrealised (gain)/loss	2.29	(13.22)	16.62
Net loss/(gain) on disposal of property, plant and equipment	(20.86)	(0.29)	0.56
Operating profit before working capital changes	**472.91**	**498.59**	**449.37**
Changes in working capital:			
Decrease/Increase in provisions	(2.47)	3.83	0.94
Decrease/Increase in trade payables	22.64	86.59	(76.55)
(Decrease)/increase in other current financial and non financial liabilities	4.43	12.79	(13.28)
(Increase)/ decrease in other financial and non-financial assets	(17.32)	(13.17)	1.86
Decrease/(increase) in inventories	(122.65)	(110.31)	30.80
Decrease/Increase in trade receivables	6.23	(115.61)	180.24
Cash generated from operations	**363.77**	**362.71**	**573.38**
Taxes paid (net of refunds)	(81.87)	(41.27)	(36.50)
Net cash inflow from operating activities	**281.90**	**321.44**	**536.88**
B. Cash flows from investing activities			
Loan recovered/(given) during the year	(89.94)	(1.92)	(17.43)
Payments for property, plant and equipment and intangible assets	(121.07)	(77.97)	(101.62)
Proceeds from disposal of property, plant and equipment	22.78	0.46	3.87
Purchase of investments	(103.50)	-	-
Proceeds of investments	-	0.91	0.89
Bank deposits matured/(placed) (having original maturity of more than 3 months)	4.78	(3.13)	7.93
Interest received	5.58	2.02	1.13
Net cash (outflow) in investing activities	**(281.37)**	**(79.63)**	**(105.23)**
C. Cash flows from financing activities			
Share issue expenses	(1.26)	-	-
Proceeds/(repayment) of borrowings	(3.85)	(154.55)	(406.23)
Repayment of lease liabilities	(0.00)	(0.00)	(0.00)
Interest and other finance costs paid	(29.52)	(38.59)	(50.58)
Net cash inflow/(outflow) in financing activities	**(34.63)**	**(193.14)**	**(456.81)**
Net increase in cash and cash equivalents (A+B+C)	**(34.10)**	**48.67**	**(25.16)**
Cash and cash equivalents at the beginning of the year	54.44	5.77	30.93
Cash and cash equivalents at the end of the year	**20.34**	**54.44**	**5.77**

* Amount is below the rounding off norm adopted by the Group.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts in INR millions, unless otherwise stated)

Reconciliation of cash and cash equivalents as per the restated consolidated statement of cash flow

Cash and cash equivalents comprise of the following (refer note 15):

Balances with banks			
In current accounts	18.18	46.26	5.62
Funds In transit	-	7.91	-
Cash on hand	2.16	0.27	0.15
Cash and cash equivalents at the end of the year	**20.34**	**54.44**	**5.77**

Net debt reconciliation:

Particulars	Year ended March 31 2022	Year ended March 31 2021	Year ended March 31 2020
Borrowings (including interest accrued)	372.89	374.95	539.97
Net Debt	**372.89**	**374.95**	**539.97**

Particulars	Year ended March 31 2022	Year ended March 31 2021	Year ended March 31 2020
Opening Balance	**374.95**	**539.97**	**913.24**
Proceeds/(repayment) of borrowings	(3.85)	(154.55)	(406.23)
Interest expense recorded in profit and loss	29.63	34.10	52.23
Interest paid in cash	(29.52)	(38.59)	(50.58)
Unrealized foreign exchange	2.08	(5.73)	31.31
Interest accrued on lease liabilities	(0.40)	(0.25)	-
Closing Balance	**372.89**	**374.95**	**539.97**
			-

Notes:

1. The Statement of cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2. Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and creditors for capital goods) during the year.

The above restated consolidated statement of cash flows should be read in conjunction with accompanying notes.

This is the restated consolidated statement of cash flows referred to in our report of even date

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

For and on behalf of the Board of Directors

SANDEEP MUNDRA
Partner
M. No. 075482

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

Date: June 17, 2022
Place: Jaipur

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

Background

Global Surfaces Limited ('the Company') is a limited Company. It is incorporated and domiciled in India and has its registered office at Mahindra World City, Sanganer, Jaipur - 302037.

The Company is incorporated since August 23, 1991 and is engaged primarily in the business of manufacturing of quartz, granite and marble slabs. The company has been converted from a private limited company to a public limited company on October 21, 2021.

Note 1: Basis of preparation and Significant Accounting Policies

This note provides basis of preparation and significant accounting policies adopted in the preparation of these Restated Financial Information and have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The restated financial information comprises of the Restated Consolidated Statement of Assets and Liabilities of the Group as at March 31, 2022 and March 31, 2021 and Restated Standalone Statement of

The Restated Financial Information have been prepared by the Management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') of the Company by way of an Initial Public Offer (IPO) for its equity shares, which is to be filed by the Company with the Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited and BSE Limited in accordance with the requirements of:

i. Section 26 of the Companies Act, 2013 ("the Act") as amended from time to time;

ii. Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and

iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

These Restated Financial Information have been prepared by the Company from the Audited Consolidated Financial Statements for the year ended March 31, 2022 and March 31, 2021 and Standalone Audited Financial Statements for the year ended March 31, 2020, and:

- there were no audit qualifications on these financial statements,
- there were no changes in accounting policies during the years of these financial statements,
- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
- have been prepared after incorporating adjustments in respect of regroupings/ reclassifications as may be applicable, retrospectively in the financial years ended March 31, 2020 in order to reflect the same groupings/ classifications as at and for the year ended March 31, 2021 and March 31, 2022,
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they related and
- do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the Audited Consolidated Financial Statements for the year ended March 31, 2022 and March 31, 2021 and Standalone Audited Financial Statements for the year ended March 31, 2020.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the

(ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Historical cost convention

The Restated Financial Information have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, to the extent applicable. The audited financial statements for the year ended March 31, 2020, March 31, 2021 and March 31, 2022 were prepared in accordance with Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP or Indian GAAP").

The Restated Financial Information have been prepared on a historical cost basis, except for the following:
(a) certain financial assets and liabilities that is measured at fair value; and
(b) defined benefit plans – plan assets measured at fair value

(d) Use of estimates and judgements

The preparation of Restated Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

• Estimated useful life of property, plant and equipment, intangible assets and investment properties – Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment, intangible assets and investment properties.

• Estimation of defined benefit obligation – • Estimation of defined benefit obligation – Measurement of defined benefit obligation and related under plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality.

• Impairment of trade receivable: The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation

• Estimation of net realisable value for raw material and finished goods: The management has determined net realisable value of finished goods and raw material based on the analysis of physical conditions, technology and market conditions to determine excess or obsolete inventories.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).
The Board of Directors of the Parent Company has been identified as being the CODM as they assesses the financial performance and position of the Group, and makes strategic decisions. Refer Note 45 for segment information.

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the restated consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The restated consolidated financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

(iii) Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
• assets and liabilities are translated at the closing rate at the date of that balance sheet
• income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
• all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

(g) Revenue recognition

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer which is generally on dispatch of goods and/or on the date of clearance by Customs. The Group recognizes revenue from the sale of goods measured at the price specified in the contract, net of returns and allowances, trade discounts and volume rebates.

Revenue from value added services, namely freight and shipping insurance, is recognised as and when services are rendered, as per the terms agreed with the customers. Shipping and handling expenses have been netted off while recognition of revenue.

The Group does not have any significant financing element included in the sales made.

(h) Income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts as per restated consolidated financial statements as at the reporting date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in associate where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (" MAT ") credit entitlement is recognized as deferred tax asset if it is probable that MAT credit will reverse in foreseeable future and taxable profit will be available against which such deferred tax can be utilised.

(i) Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the lease commencement date. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. liabilities include the net present value of the following lease payments:

• fixed payments (including in-substance fixed payments), less any lease incentives receivable
• variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
• amounts expected to be payable by the Group under residual value guarantees
• the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
• payments penalties the lease, if the lease term reflects the Group exercising that

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:
• where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
• uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which not have recent third party financing, and
• makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate take effect, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right—of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:
• the amount of the initial measurement of lease liability
• any lease payments made at or before the commencement date less any incentives received
• any initial direct costs, and
• restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a Straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct cost incurred obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(j) Business Combination

The acquisition method of accounting is used to account for all business combinations except common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

• fair values of the assets transferred;
• liabilities incurred to the former owners of the acquired business;
• equity interests issued by the group; and
• fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the
• consideration transferred;
• amount of any non-controlling interest in the acquired entity, and
• acquisition-date fair value of any previous equity interest in the acquired entity
over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Business combination between entities under common control is accounted using pooling of interest method of accounting. Under pooling of interest method of accounting, assets and liabilities of combining entities are reflected at carrying amount and no adjustments are made to reflect fair values, or recognize any new assets and liabilities. The only adjustments are made to harmonise accounting policies. The difference between the amount recorded as share capital plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserve and is presented separately from capital reserve.

(k) Impairment of assets

Goodwill and intangible that have an indefinite useful life are subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets(cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(l) Cash and cash equivalents

For the purpose of presentation in the restated consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held a call with financial institutions, other short-term highly liquid investments with original maturities of less than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value .

(m) Trade receivables

Trade receivables are amounts due from customer for sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(n) Inventories

Inventories are valued at lower of cost and estimated net realisable value. Cost is determined on "First-in-First-Out", "Specific Identification" or Weighted Averages" basis as applicable. Cost of Inventories comprises of cost of purchases, cost of conversion and other direct costs incurred in bringing the inventories to their present location and condition. Cost of Finished goods are determined on absorption costing method. Semi Finished Goods are Finished Goods pending Quality Inspection.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Identification of a specific item and determination of estimated net realisable value involves technical judgment of the management, which has been relied upon by the Auditors.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

(o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets:
Classification

The Group classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
• those measured at amortised cost
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sale the financial asset. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in profit or loss.

Subsequent measurement

After initial recognition, financial assets are measured at:
• fair value (either through other comprehensive income or through profit or loss), or
• amortised cost

Debt instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets are recognised in other income.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL.

The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the restated consolidated statement of profit and loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 41 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognized only when:
• the Group has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method and recognised in the restated consolidated statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance)

Dividend income

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly a recovery part of the cost of the investment.

Other income

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/ origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the restated consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the restated consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the restated consolidated statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the restated consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(p) Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost comprises of the purchase price including import duties and non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method, to allocate their cost, net of residual values, over the estimated useful lives of the assets, based on technical evaluation done by the management's expert which is in accordance with the Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on property, plant and equipment is provided based on the management estimated useful life for the property, plant and equipment:

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Transition to Ind AS:

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

(q) Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, are classified as investment properties. Investment properties are measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Transition to Ind AS:

(r) Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an assets ready for their intended use

(s) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

Depreciation on intangible assets is provided based on the management estimated useful life for the intangible assets:

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.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Transition to Ind AS:

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

(t) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or operating cycle, as applicable. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(u) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Capitalisation of borrowing costs is suspended and charged to the restated consolidated statement of profit and loss during extended periods when active development activity on the qualifying asset is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(v) Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(w) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes.

- defined benefit plan i.e. gratuity

- defined contribution plans such as provident fund and employees state insurance(ESI)

Gratuity obligations

The liability or asset recognised in the restated consolidated balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the restated consolidated statement of profit and loss.
Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the consolidated statement of changes in equity and in the restated consolidated balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations and also makes contribution to employees state insurance. The Group has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

(x) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(y) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:
- The profit attributable to owners of respective class of equity shares of the Group
- By the weighted average number of equity shares (respective class wise) outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(z) Rounding of amounts

All amounts disclosed in the restated consolidated financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated. "0.00" denotes amount below rounding off adopted by the group.

Note 2: Changes in accounting policies and disclosures

New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022.

- Proceeds before intended use of property, plant and equipment- Ind AS 16, Property, Plant and Equipment
- Onerous Contracts – Cost of fulfilling a contract- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets
- References to the conceptual framework- Ind AS 103, Business combinations
- Fees included in the 10% test for derecognition of financial liabilities- Ind AS 109, Financial Instruments

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts in INR millions, unless otherwise stated)

Note 3 - Property, plant and equipment

Particulars	Building	Office equipments	Plant and equipment	Computers	Electrical Installation	Furniture and Fixtures	Vehicles	Total
Year ended March 31, 2020								
Gross carrying amount								
Opening gross carrying amount	175.73	6.02	540.01	2.50	29.68	9.41	25.39	**788.74**
Additions	31.74	0.65	71.29	0.19	0.62	-	9.67	**114.16**
Disposals	(0.07)	(2.55)	(15.92)	(0.87)	-	(0.06)	(2.83)	**(22.30)**
Closing gross carrying amount	**207.40**	**4.12**	**595.38**	**1.82**	**30.30**	**9.35**	**32.23**	**880.60**
Accumulated depreciation								
Opening accumulated depreciation	24.35	3.32	166.91	1.74	7.36	2.99	16.83	**223.50**
Additions	9.31	1.35	138.24	0.50	11.04	1.66	5.48	**167.58**
Disposals/Adjustments	(0.06)	(1.92)	(12.60)	(0.82)		(0.06)	(2.41)	**(17.87)**
Closing accumulated depreciation	**33.60**	**2.75**	**292.55**	**1.42**	**18.40**	**4.59**	**19.90**	**373.21**
Net carrying amount	**173.80**	**1.37**	**302.83**	**0.40**	**11.90**	**4.76**	**12.33**	**507.39**
Year ended March 31, 2021								
Gross carrying amount								
Opening gross carrying amount	207.40	4.12	595.38	1.82	30.30	9.35	32.23	**880.60**
Additions	2.50	0.62	57.02	0.21	0.13	-	-	**60.48**
Disposals	-	-	(0.74)	(0.11)	-	-	-	**(0.85)**
Closing gross carrying amount	**209.90**	**4.74**	**651.66**	**1.92**	**30.43**	**9.35**	**32.23**	**940.23**
Accumulated depreciation								
Opening accumulated depreciation	33.60	2.75	292.55	1.42	18.40	4.59	19.90	**373.21**
Additions	9.61	1.00	106.97	0.24	5.80	1.23	3.81	**128.66**
Disposals/Adjustments	-	(0.00)	(0.55)	(0.11)		-	-	**(0.67)**
Closing accumulated depreciation	**43.21**	**3.75**	**398.97**	**1.55**	**24.20**	**5.82**	**23.71**	**501.21**
Net carrying amount	**166.69**	**0.99**	**252.69**	**0.37**	**6.23**	**3.53**	**8.52**	**439.02**
Year ended March 31, 2022								
Gross carrying amount								
Opening gross carrying amount	209.90	4.74	651.66	1.92	30.43	9.35	32.23	**940.23**
Additions	2.50	0.72	32.74	0.51	-	0.04	16.74	**53.25**
Disposals	-	-	(3.25)	-	(0.04)	-	(2.72)	**(6.01)**
Closing gross carrying amount	**212.40**	**5.46**	**681.15**	**2.43**	**30.39**	**9.39**	**46.25**	**987.47**
Accumulated depreciation								
Opening accumulated depreciation	43.21	3.75	398.97	1.55	24.20	5.82	23.71	**501.21**
Additions	9.34	0.82	87.34	0.37	2.99	0.91	3.84	**105.61**
Disposals/Adjustments	-	-	(2.28)	-	-	-	(2.19)	**(4.47)**
Closing accumulated depreciation	**52.55**	**4.57**	**484.03**	**1.92**	**27.19**	**6.73**	**25.36**	**602.35**
Net carrying amount	**159.85**	**0.89**	**197.12**	**0.51**	**3.20**	**2.66**	**20.89**	**385.12**

Notes:

1) Refer note 21 and 24 for information on property, plant and equipment offered as security against borrowings taken by the Group

2) The Parent Company in FY 2019-20 had re-assessed the useful life of certain Plant and Machinery and based on the technical advice had considered useful life of Plant and Machinery which is different from the rate specified in Schedule II of the Companies Act, 2013. Had the Parent Company has adopted the useful life as specified in the Schedule II of the Companies Act, 2013, the depreciation on the Plant and Machinery would have been lower by INR 40.61.

3) The group has not revalued any of its property, plant and equipment during the current year and previous year.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts in INR millions, unless otherwise stated)

Note 4 - Capital Work in Progress

Particulars	Total
Balance as of April 01, 2019	**2.17**
Addition during the year	-
Transferred to property plant and equipment	(2.17)
Balance as of March 31, 2020	**-**
Addition during the year	12.93
Transferred to property plant and equipment	-
Balance as of March 31, 2021	**12.93**
Addition during the year	57.82
Transferred to property plant and equipment	-
Balance as of March 31, 2022*	**70.75**

* Consist of expenditure incurred on construction on leasehold premises amounting to INR 55.77 and pre-operative expenses for construction of plant at Dubai amounting to INR 14.98.

Particulars	Less than 1 year	1-2 years	More than 2 years	Total
Balance as of March 31, 2020	-	-	-	**-**
Balance as of March 31, 2021	12.93	-	-	**12.93**
Balance as of March 31, 2022	57.82	12.93	-	**70.75**

Note 5 - Right-of-use-Assets (ROU assets)

Particulars	Total
Balance as of April 01, 2019	**92.81**
Addition during the year	-
Depreciation	0.92
Balance as of March 31, 2020	**91.89**
Addition during the year	4.03
Depreciation	1.35
Balance as of March 31, 2021	**94.57**
Addition during the year	409.41
Depreciation	1.50
Depreciation capitalized to capital work-in progress	6.00
Balance as of March 31, 2022*	**496.48**

1) Refer note 19 and 23 for information on Right-of-use-Assets offered as security against borrowings taken by the Group.

2) Title deeds of Immovable Property not held in the name of the Group

Particulars	Remarks
Relevant line item in the Balance Sheet	Right-of-use assets
Description of item of property	Leasehold Land
Gross Carrying Value	3.93
Title deeds in the name of	Erstwhile lease holder
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No
Property held since which date	November 23, 2004
Reason for not being held in the name of the Group	The said property was purchased in auction from DRT Court and unencumbered possession and valid ownership was transferred to Group through court orders. RIICO ("lessor") vide letter November 23, 2004 has handed over original land lease agreements which constitute a valid title in favor of group without any further action required by group for title transfer.

3) Right-of-use assets amounting to INR 3.02 (March 31, 2021: INR 3.60; March 31, 2020: Nil) for which MoU is executed in the favour of group but lease deed in favour of group is yet to be executed and registered.

(All amounts in INR millions, unless otherwise stated)

Note 6 - Investment properties

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Gross carrying amount			
Opening gross carrying amount	1.17	1.17	1.17
Disposals	(1.17)	-	-
Closing gross carrying amount	**-**	**1.17**	**1.17**
Accumulated depreciation			
Opening accumulated depreciation	0.78	0.76	0.74
Depreciation charge during the year	0.01	0.02	0.02
Disposals	(0.79)	-	-
Closing accumulated depreciation	**-**	**0.78**	**0.76**
Net carrying amount	**-**	**0.39**	**0.41**

Refer note 21 and 24 for information on investment properties offered as security against borrowings taken by the Group

(i) Amounts recognised in the restated consolidated statement of profit and loss for investment properties:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Rental income	6.90	11.86	10.80
Profit from investment properties before depreciation	**6.90**	**11.86**	**10.80**
Depreciation	(0.01)	(0.02)	(0.02)
Direct operating expenses	-	(0.51)	(0.77)
Profit/ (loss) from investment properties	**6.89**	**11.33**	**10.01**

(ii) Fair value

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Investment properties	-	275.26	262.15

Estimation of fair value

The Group carries out independent valuation for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

(a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

The fair values of investment properties have been determined by Haripriya Associates Private Limited. All resulting fair value estimates for investment properties are included in level 3.

(All amounts in INR millions, unless otherwise stated)

Note 7 - Intangible assets

Particulars	Computer software
Year ended March 31, 2020	
Net carrying amount	
Gross carrying amount	
Opening gross carrying amount	1.41
Additions	-
Closing gross carrying amount	**1.41**
Accumulated amortisation	
Opening accumulated amortisation	0.24
Amortisation charge during the year	0.09
Closing accumulated amortisation and impairment	**0.33**
Net carrying amount	**1.08**
Year ended March 31, 2021	
Gross carrying amount	
Opening gross carrying amount	1.41
Additions	0.10
Disposals	(0.14)
Closing gross carrying amount	**1.37**
Accumulated amortisation	
Opening accumulated amortisation	0.33
Amortisation charge during the year	0.10
Disposals/Adjustments	(0.14)
Closing accumulated amortisation and impairment	**0.29**
Net carrying amount	**1.08**
Year ended March 31, 2022	
Gross carrying amount	
Opening gross carrying amount	1.37
Additions	-
Closing gross carrying amount	**1.37**
Accumulated amortisation	
Opening accumulated amortisation	0.29
Amortisation charge during the year	0.67
Closing accumulated amortisation and impairment	**0.96**
Net carrying amount	**0.41**

(All amounts in INR millions, unless otherwise stated)

Note 8 - Non-Current Loans

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good			
Loans (At amortised cost)			
- To related parties (refer note 40)	19.62	20.29	17.27
- To employees	0.31	0.58	0.29
Total	**19.93**	**20.87**	**17.56**

Loans to related parties (unsecured and considered good) includes INR Nil (March 31, 2021: Nil, March 31, 2020: Nil) is due from directors or other officers, or any of them, either severally and jointly with any other persons of from firms or private companies in which any director is a partner or director or member.

Break-up of security details

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Loans considered good – Secured	-	-	-
Loans considered good - Unsecured	19.93	20.87	17.56
Loans which have significant increase in credit risk	-	-	-
Loans – credit impaired	-	-	-
Total	**19.93**	**20.87**	**17.56**
Loss allowance	-	-	-
Total loans	**19.93**	**20.87**	**17.56**

Note 9 - Other non-current financial asset

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good			
Security Deposit	18.43	13.15	9.09
Total	**18.43**	**13.15**	**9.09**

Note 10 - Deferred tax assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Deferred Tax	24.54	28.08	24.15
MAT credit entitlement	155.81	92.89	41.82
Total	**180.35**	**120.97**	**65.97**

Note 11 - Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good			
Capital advances	29.92	8.52	4.05
Total	**29.92**	**8.52**	**4.05**

Note 12 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(As per Inventory taken, valued and certified by the management) (refer accounting policy)			
Raw Material	57.59	80.16	56.61
Work-in-Progress	6.81	8.32	-
Finished Goods (includes goods in transit*) and Semi - Finished Goods	345.54	224.71	158.58
Consumables	59.20	33.30	20.99
Total	**469.14**	**346.49**	**236.18**

*Goods in transit amounting to Nil (March 31, 2021: INR 18.81 , March 31, 2020: Nil)

Refer note 21 and 24 for information on inventories offered as security against borrowings taken by the Group

Note 13 - Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Quoted- Mutual Funds (Valued at fair value through profit and loss)			
Investment in Mutual Funds (25,74,188.76 Units of ICICI Prudential Ultra Short Term Fund- Growth having face value of INR 10)	57.71	-	-
Investment in Mutual Funds (11,21,122.593 Units of Axis Ultra Short Term Fund- Regular Growth having face value of INR 10)	13.54	-	-
Investment in Mutual Funds (28,81,415,.59 Units of HDFC Ultra Short Term Fund- Growth having face value of INR 10)	35.38	-	-
Total	**106.63**	**-**	**-**
Aggregate amount of quoted investment and market value thereof	106.63	-	-
Aggregate amount of impairment in value of investments	-	-	-

Note 14 - Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Trade receivables			
- To related parties (refer note 40)	1.27	2.28	0.72
- To other parties	391.86	397.37	282.74
Less: Loss allowance	(3.35)	(1.64)	(2.78)
Total	**389.78**	**398.01**	**280.68**

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good – Secured	-	-	-
Trade receivables considered good – Unsecured	377.83	393.68	271.10
Trade receivables which have significant increase in credit risk	15.30	5.97	12.36
Trade receivables – Credit impaired	-	-	-
Total	**393.13**	**399.65**	**283.46**
Loss allowance	(3.35)	(1.64)	(2.78)
Total trade receivables	**389.78**	**398.01**	**280.68**

Note:

(i) Trade or other receivable amounting to INR 1.27 (March 31, 2021: INR 2.28; March 31, 2020: INR 0.72) are due from directors or other officers of the Parent Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Refer note 21 and 24 for information on trade receivable offered as security against borrowings taken by the Group

Movement in the expected credit loss allowance

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	1.64	2.78	0.56
Movement in expected credit loss allowance on trade receivables	1.71	(1.14)	2.22
Provision at the end of the year	**3.35**	**1.64**	**2.78**

Ageing Schedule of Trade receivables considered good – Unsecured

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Not due	152.52	200.12	127.34
Less than 6 Months	205.13	162.94	135.93
6 Months - 1 Year	20.18	30.62	7.83
1-2 Years	-	-	-
2-3 Years	-	-	-
More than 3 Years	-	-	-
Total	**377.83**	**393.68**	**271.10**

Ageing Schedule of Trade receivables which have significant increase in credit risk

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Not due	-	-	-
Less than 6 Months	-	-	-
6 Months - 1 Year	-	-	-
1-2 Years	13.02	2.35	10.25
2-3 Years	1.48	3.24	1.62
More than 3 Years	0.80	0.38	0.49
Total	**15.30**	**5.97**	**12.36**

Note 15 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Balances with banks			
In current accounts	18.18	46.26	5.62
Funds In transit	-	7.91	-
Cash on hand	2.16	0.27	0.15
Total	**20.34**	**54.44**	**5.77**

Note 16 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Deposits for original maturity of more than 3 months but less than 12 months*	5.93	10.71	7.58
Total	**5.93**	**10.71**	**7.58**

*These are restricted deposits.The restriction are primarily on account of deposit held as margin money against borrowings.

Note 17 - Current Loans

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good			
Loans (At amortised cost)			
- To related parties (refer note 40)	4.11	-	-
- To others	84.18	-	-
- To employees (refer note 40)	4.02	1.44	2.82
Total	**92.31**	**1.44**	**2.82**

Break-up of security details

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Loans considered good – Secured	-	-	-
Loans considered good - Unsecured	92.31	1.44	2.82
Loans which have significant increase in credit risk	-	-	-
Loans – credit impaired	-	-	-
Total	**92.31**	**1.44**	**2.82**
Loss allowance	-	-	-
Total loans	**92.31**	**1.44**	**2.82**

Note:

(i) The loans have been given for general business purpose and has been utilized by the borrowers for the same.

(ii) Loans to employees (unsecured and considered good) includes INR 2.17 (March 31, 2021: Nil, March 31, 2020: Nil) due from Managing director given as a part of the conditions of service extended by the Group to all of its employees

(iii) None of the loans or advances in the nature of loans granted to Promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) is repayable on demand or without specifying any terms of repayment.

Note 18 - Other current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good			
Export incentive receivable	3.19	0.41	1.14
Other Receivable	3.20	1.16	1.68
Total	**6.39**	**1.57**	**2.82**

Note 19 - Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good			
MTM gains receivable on outstanding forward contracts	2.73	-	-
Balance with government authorities	31.60	30.78	24.85
Advance to vendors	31.54	26.64	15.75
Prepaid expenses	5.59	6.69	13.15
Total	**71.46**	**64.11**	**53.75**

(All amounts in INR millions, unless otherwise stated)

Note 20 - Equity Share capital and other equity
Equity share capital
(i) Authorised share capital

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity share capital			
4,60,00,000 (For previous years 67,50,000) equity shares of INR 10 each	460.00	67.50	67.50
Total	**460.00**	**67.50**	**67.50**

(ii) Issued, subscribed and paid up

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity share capital			
3,38,61,818 (For previous years 64,49,870) Equity shares of INR 10 each	338.62	64.50	64.50
Total	**338.62**	**64.50**	**64.50**

(iii) Rights, preferences and restrictions attached to shares
Equity Shares
The Company has only one class of shares referred to as equity shares having a par value of` Rs. 10/-. Each holder of equity shares is entitled to one vote per share with same rights, preferences.In the event of liquidation of the Company, the holders of equity shares will be entitled to received the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Equity Shares issued by the company have equal right as to voting and dividend.

(iv) Movement in equity share capital

	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares						
Shares outstanding as at the beginning of the year	6,449,870	64.50	6,449,870	64.50	6,449,870	64.50
Add: Share issued during the year	-	-	-	-	-	-
Add: Bonus shares issued during the year (Refer note below)	27,411,948	274.12	-	-	-	-
Shares outstanding as at the end of the year	**33,861,818**	**338.62**	**6,449,870**	**64.50**	**6,449,870**	**64.50**

Note: Pursuant to its Board Resolution dated April 01, 2021, the Company has issued bonus shares to equity shareholders in the proportion of 2 (Two) new fully paid-up equity shares of Rs. 10/- each for every 1 (One) fully paid-up equity share held. Accordingly, the Company had allotted 1,28,99,740 equity shares having face value of Rs. 10 each. Further, during the meeting held on March 26, 2022 , the Company decided to issue bonus shares to equity shareholders in the proportion of 3 (Three) new fully paid-up equity shares of Rs. 10/- each for every 4 (Four) fully paid-up equity share held. Accordingly, the Company has allotted 1,45,12,208 equity shares having face value of Rs. 10 each. These bonus shares were issued by capitalisation of retained earnings

(v) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Number of Shares	% Holding	Number of shares	% Holding	Number of Shares	% Holding
Mayank Shah	24,906,368	73.55%	4,752,470	73.68%	4,752,470	73.68%
Sweta Shah	3,549,000	10.48%	676,000	10.48%	676,000	10.48%
Mayank Shah (HUF)	2,892,488	8.54%	550,950	8.54%	550,950	8.54%

(vi) Details of shares held by promoter

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Number of Share	% Holding	Number of shares	% Holding	Number of Shares	% Holding
Mayank Shah	24,906,368	73.55%	4,752,470	73.68%	4,752,470	73.68%

Name of Promoters	Number of shares	% Total shares	% Changes during the year
As at March 31, 2022			
Mayank Shah	24,906,368	73.55%	-0.13%
As at March 31, 2021			
Mayank Shah	4,752,470	73.68%	0.00%
As at March 31, 2020			
Mayank Shah	4,752,470	73.68%	22.05%

(viii) The Company has not bought back any shares during the preceding 5 years.
(ix) Aggregate number of shares issued as fully paid up bonus shares (during 5 years immediately preceding March 31, 2022):

(All amounts in INR millions, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Fully paid up Bonus Shares of face value 10 each	274.12	-	-
Total	**274.12**	**-**	**-**

20(b) - Other equity

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Securities premium	172.30	172.30	172.30
Retained earnings	829.27	747.57	408.04
Other comprehensive income- Foreign Currency Translation Reserve	0.15	(0.03)	-
Total	**1,001.72**	**919.84**	**580.34**

(i) Securities premium

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance	**172.30**	**172.30**	**172.30**
Changes during the year	-	-	-
Closing balance	**172.30**	**172.30**	**172.30**

(ii) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance	**747.57**	**408.04**	**199.69**
Profit for the year	356.34	339.32	209.64
Other comprehensive income/ (loss)	0.74	0.21	(1.29)
Utlised for issue of bonus shares	(274.12)	-	-
Share issue expenses	(1.26)	-	-
Closing balance	**829.27**	**747.57**	**408.04**

(iii) Other comprehensive income- Foreign Currency Translation Reserve

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance	**(0.03)**	**-**	**-**
Changes during the year	0.18	(0.03)	
Closing balance	**0.15**	**(0.03)**	**-**

Nature and purpose of reserves

a. Securities premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

b. Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Group is recognised and accumulated under the heading "Retained Earnings". At the end of the year, the profit after tax and Other Comprehensive income are transferred from the statement of profit and loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

c. Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations prepared in functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts in INR millions, unless otherwise stated)

Note 21 - Non current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
At amortised cost			
Secured			
Term loan from banks	105.43	63.81	122.44
Vehicle Loans from banks and financial institutions	10.60	3.33	5.88
Unsecured			
From Body Corporates	-	9.63	32.31
Less : Current maturities of non current borrowings (refer note 24)	(8.10)	(12.19)	(22.99)
Total	**107.93**	**64.58**	**137.64**

Note:

a) Term Loan

Term Loan from bank is exclusively secured by Equitable mortgage of factory Land and Building at Bagru Industrial Area and at Mahindra SEZ and hypothecation of existing and future movable fixed assets of the Group.

-Further secured by

Personal Guarantees of Managing director.

Repayment:

Foreign Currency Term Loan (FCNR-B TL) is repayable in 20 quarterly installment of INR 6.5 begining from December 2018 (For term Loan I) and 15 quarterly installment of INR 17.5 begining from April 2020 (For Term Loan II). GECL Term Loan is repayable 36 monthly installment of INR 2.92 each after moratorium of 24 months (Beginning from March, 2024)

Interest Rate:

Foreign currency term loans @ Libor+3.5% , GECL @ RLLR +1.25% i.e 7.75%

Vehicle Loans is secured by hypothecation of respective Motor vehicle.(i) Repayable in 40 Installments of INR 0.23 & Interest payable @9.35%, (ii) Repayable in 48 monthly installment of INR 0.15 and bullet repayment of INR 5.43 at the end of loan period

Note 22 - Lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Lease liabilities on right to use asset (refer note 48)	421.50	6.67	2.40
Total	**421.50**	**6.67**	**2.40**

Note 23 - Non current provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Provision for employee benefit			
Provision for Gratuity (refer Note 44)	-	3.78	2.55
Provision for Compensated absences (refer Note 44)	3.83	1.74	-
Total	**3.83**	**5.52**	**2.55**

Note 24 - Current Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Secured Borrowings- from banks			
Cash Credit	12.09	14.15	3.48
Post shipment Loan	10.13	111.16	225.79
Pre-shipment Loan	234.57	172.52	144.97
Current maturities of long term debt	8.10	12.19	22.99
Total	**264.89**	**310.02**	**397.23**

Primary Security

Working capital loans from bank is secured by Stock-in-Trade, Receivables and other current assets of the Parent Company.

Further secured by

Equitable mortgage of Factory land and Building Situated at Bagru Industrial Area and Mahindra SEZ.

Personal Guarantee of Managing Director

Repayment:

On Demand

Interest Rate:

Cash Credit- MCLR + 1.45% p.a. i.e. 8.25% with monthly rest and on Exports limits -MCLR+0.45% p.a. i.e. 7.25% with monthly rest. Interest rate on Pre-Shipment and Post shipment availed in Foreign currency are linked with LIBOR plus spread as stipulated by bank.

Reconciliation of quarterly returns/statements submitted to banks with Books of accounts:

Particulars	Amount reported in the stock statement	Amount as per books of accounts	Difference
Jun-21			
Inventory	365.56	329.26	36.30
Trade Receivables	439.66	446.50	(6.84)
Trade Payables	165.09	171.18	(6.09)
Sep-21			
Inventory	342.19	362.60	(20.41)
Trade Receivables	474.33	472.95	1.38
Trade Payables	142.36	136.65	5.71
Dec-21			
Inventory	345.00	427.82	(82.82)
Trade Receivables	390.07	389.17	0.90
Trade Payables	142.44	147.00	(4.56)

Particulars	Amount reported in the quarterly return*	Amount as per books of accounts	Difference
Jun-21			
Inventory	313.36	329.26	(15.90)
Trade Receivables	451.63	446.50	5.13
Trade Payables	188.99	171.18	17.81
Sales	518.51	556.22	(37.71)
Dec-21			
Inventory	338.76	427.82	(89.06)
Trade Receivables	396.19	389.17	7.02
Trade Payables	183.74	147.00	36.74
Sales	486.68	488.68	(2.00)

* For September quarter only half yearly operating statement have been submitted which comprises of operating results and fund flow. In the absence of non-availability of half yearly financial statement differences cannot be identified.

Reason for material discrepancies

Inventory

While preparing stock statements adjustments for overhead allocation and NRV valuation is carried out on estimated basis whereas in books of accounts the same exercise is carried on annual basis.

Trade receivables and payables

These figures are based on provisional financial statements. However certain settlements, system integration issues and reconciliation adjustments of receivables and payables have been carried out at later date in books of accounts.

Sales

Due to some system integration issues some sale invoices were not captured while submitting quarterly returns

Note 25 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Trade payables			
Dues to others	186.03	157.60	70.77
Dues to micro and small enterprises	1.46	7.38	7.89
Total	**187.49**	**164.98**	**78.66**

Trade payable ageing schedule for MSME - Not disputed

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unbilled	-	-	-
Not due	0.50	4.47	-
Less than 1 year	0.16	2.67	7.18
1-2 Years	0.57	-	0.38
2-3 Years	-	-	0.09
More than 3 Years	-	-	-
Total	**1.22**	**7.14**	**7.65**

Trade payable ageing schedule for other than MSME - Not disputed

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unbilled	8.73	11.94	3.71
Not due	85.88	121.33	29.85
Less than 1 year	89.91	23.68	31.58
1-2 Years	1.01	0.31	2.61
2-3 Years	0.48	0.34	0.87
More than 3 Years	0.02	-	2.15
Total	**186.03**	**157.60**	**70.77**

Trade payable ageing schedule for MSME - disputed

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Unbilled	-	-	-
Less than 1 year	-	-	-
1-2 Years	-	-	0.24
2-3 Years	-	0.24	-
More than 3 Years	0.24	-	-
Total	**0.24**	**0.24**	**0.24**

Note 26 - Other current financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Interest accrued on borrowings	0.07	0.36	5.09
Employee Benefits payables	15.71	15.45	5.20
Lease liabilities on right to use asset (refer note 48)	0.38	0.00	0.00
Total	**16.16**	**15.81**	**10.29**

Note 27 - Current tax liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Income Tax (net of advance tax)	10.16	27.90	6.64
Total	**10.16**	**27.90**	**6.64**

Note 28 - Current Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Provision for employee benefit			
Provision for Gratuity (refer Note 44)	-	2.05	1.67
Provision for Compensated absences (refer Note 44)	0.42	0.18	-
Total	**0.42**	**2.23**	**1.67**

Note 29 - Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Statutory Liabilities*	10.20	7.73	3.98
Advances from customers	1.89	0.19	1.39
Total	**12.09**	**7.92**	**5.37**

* this includes unspent corporate social responsibility expenditure

(All amounts in INR millions, unless otherwise stated)

Note 30 - Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from sale of goods	1,891.46	1,745.37	1,626.62
Other operating revenue			
Export Incentives	5.65	4.79	5.24
Handling charges and other operating Income	6.02	3.55	1.05
Total	**1,903.13**	**1,753.71**	**1,632.91**

Note 31 - Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on financial assets at amortised cost			
Loan to staff	0.03	0.03	0.02
Loan to body corporate and others	5.55	1.98	1.10
Gain on disposal of property, plant and equipment	20.86	0.29	-
Reversal of expected credit loss	-	1.14	-
Rental income	0.84	1.34	3.13
Gain on sale and revaluation of Mutual Funds	3.13	0.91	0.89
Exchange Gain (net)	43.35	26.08	14.26
Miscellaneous Income	6.68	4.56	5.49
Total	**80.44**	**36.33**	**24.89**

Note 32 - Cost of Material Consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Raw Material			
Opening Stock	80.16	56.61	86.82
Add: Purchases (net of return)	952.27	791.17	658.36
Add: Freight	11.33	25.91	25.35
Less: Closing stock	(57.59)	(80.16)	(56.61)
Total	**986.17**	**793.53**	**713.92**

Note 33 - Purchases of Stock-in-Trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Purchases	-	-	1.81
Total	**-**	**-**	**1.81**

(All amounts in INR millions, unless otherwise stated)

Note 34 - Changes in inventories of finished goods and work- in-progress

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Inventories at the beginning of the year			
Finished Goods/ Semi Finished Goods	224.71	158.58	146.55
Work-in-Process	8.32	-	8.34
Total (A)	**233.03**	**158.58**	**154.89**
Inventories at the end of the year			
Finished Goods/ Semi Finished Goods	345.54	224.71	158.58
Work-in-Process	6.81	8.32	-
Total (B)	**352.35**	**233.03**	**158.58**
Increase in stock (A-B)	**(119.32)**	**(74.45)**	**(3.69)**

Note 35 - Employee benefit expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, Wages, Bonus etc.	100.81	82.28	79.99
Contribution to Provident & Other Funds	6.78	5.35	5.43
Director's Remuneration (including commission to directors)	30.77	28.54	13.80
Gratuity (refer Note 44)	2.37	1.91	1.37
Staff Welfare Exp.	8.57	4.61	3.21
Total	**149.30**	**122.69**	**103.79**

Note 36 - Depreciation and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on tangible assets	105.61	128.66	167.58
Amortisation of intangible assets	0.67	0.10	0.09
Depreciation on right to use assets	1.50	1.35	0.92
Depreciation on investment property	0.01	0.02	0.02
Total	**107.79**	**130.13**	**168.61**

Note 37 - Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on			
Secured long term borrowings	3.37	5.96	13.30
Secured short term Borrowings	11.67	12.52	21.87
Unsecured borrowings from body corporates	0.08	1.40	8.59
Lease liabilities	6.02	0.46	0.22
Income Tax	1.59	4.78	1.05
Others	1.05	0.16	0.15
Other borrowing cost			
Bank Charges & Processing Fees	11.25	8.82	7.05
	35.03	**34.10**	**52.23**
Finance costs capitalised to Capital work-in-progress	(5.40)	-	-
Total	**29.63**	**34.10**	**52.23**

(All amounts in INR millions, unless otherwise stated)

Note 38 - Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Manufacturing Expenses			
Electricity Expenses	40.15	48.90	50.22
Consumables & Stores Consumed	162.79	166.84	143.78
Repair & Maintenance-Machinery	3.50	3.49	9.96
Other Direct Expenses	46.39	31.26	31.36
Total Manufacturing Expenses	**252.83**	**250.49**	**235.32**
Administration Expenses			
Auditors Remuneration	0.67	0.64	0.30
CSR Expenses	4.75	1.56	2.56
Donation	0.64	1.07	0.08
Insurance	2.99	2.94	2.46
Legal & Professional Fee	17.09	7.20	2.97
Rent, Rates and Taxes	1.83	2.58	0.28
Repair & Maintenance	20.59	10.35	8.22
Security Charges	3.45	2.77	2.36
Travelling and Conveyance	4.41	1.86	6.66
Director sitting fees	0.09	-	-
Training and education expense	6.88	4.99	-
Provision for Expected credit loss	1.71	-	2.22
Bad Debts	-	6.64	3.94
Office expenses	2.74	3.00	3.02
Miscellaneous Expenses	6.44	4.44	7.28
Total Administration Expenses	**74.28**	**50.04**	**42.35**
Selling & Distribution Expenses			
Business Promotion Expenses (Includes Foreign Travelling Expenses)	22.47	11.55	18.27
Transportation Charges	83.39	68.62	63.61
Participation expenses of fairs	2.84	5.92	9.74
Packing Expenses	29.20	27.24	21.60
Other Selling & Distribution Expenses	3.93	24.88	23.03
Total Selling & Distribution Expenses	**141.83**	**138.21**	**136.25**
Total	**468.94**	**438.74**	**413.92**

(All amounts in INR millions, unless otherwise stated)

Note 39- Taxation

(a) Income tax expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Current tax			
Current tax on profits for the year	64.79	61.07	36.90
Total current tax expense	**64.79**	**61.07**	**36.90**
Deferred tax			
Deferred tax asset created	(60.07)	(55.09)	(39.33)
Total deferred tax benefit	**(60.07)**	**(55.09)**	**(39.33)**
Income tax expense/ (benefit)	**4.72**	**5.98**	**(2.43)**

(b) Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Deferred tax assets			
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	22.87	25.75	22.21
On Gratuity & Leave Encashment Provision	1.00	1.88	0.17
On expected credit loss	0.67	0.45	1.77
MAT Credit entitlement	155.81	92.89	41.82
Deferred tax assets	**180.35**	**120.97**	**65.97**

Movement in deferred tax assets (net)

Particulars	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Others	Year ended March 31, 2022
Movement in deferred tax assets				
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	(2.88)	-	-	22.87
On Gratuity & Leave Encashment Provision	(0.59)	(0.29)	-	1.00
On expected credit loss	0.22	-	-	0.67
MAT Credit entitlement	63.33	-	(0.41)	155.81

(All amounts in INR millions, unless otherwise stated)

Total	**60.07**	**(0.29)**	**(0.41)**	**180.35**

Particulars	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Others	Year ended March 31, 2021
Movement in deferred tax assets				
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	3.54	-	-	25.75
On Gratuity & Leave Encashment Provision	1.79	(0.08)	-	1.88
On expected credit loss	(1.32)	-	-	0.45
MAT Credit entitlement	51.08	-	-	92.89
Total	**55.09**	**(0.08)**	**-**	**120.97**

Particulars	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Others	Year ended March 31, 2020
Movement in deferred tax assets				
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	12.41	-	-	22.21
On Gratuity & Leave Encashment Provision	(0.40)	0.50	-	0.17
On expected credit loss	1.27	-	-	1.77
MAT Credit entitlement	26.05	-		41.82
Total	**39.33**	**0.50**	**-**	**65.97**

(c) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax for the year	361.06	345.30	207.21
Statutory tax rate applicable to the Group	27.82%	27.82%	27.82%
Tax expense at applicable tax rate	**100.00**	**96.06**	**57.64**
Items disallowed under section 37 of the Income Tax Act, 1961	1.58	2.55	1.22
Deductions under section 10AA of the Income Tax Act, 1961	(100.63)	(99.76)	(70.51)
Others	3.77	7.13	9.22
Income tax expense	**4.72**	**5.98**	**(2.43)**

Note 40 - Related party transactions

(a) Names of related parties and nature of relationship:

Key Managerial Personnel (KMP)

Mr. Mayank Shah - Managing Director
Mrs. Sweta Shah - Director (w.e.f September 11, 2021)
Mrs. Sweta Shah - Chief Exeuctive Officer (ceased September 10, 2021)
Mr. Aseem Sehgal - Non Executive Director (ceased w.e.f October 01, 2021)
Mr. Ashish Kumar Kachawa - Non Executive Director (w.e.f February 11, 2020)
Mr. Sudhir Baxi - Director (w.e.f December 20, 2021)
Mr. Dinesh Kumar Govil - Director (w.e.f December 20, 2021)
Mr. Yashwant Kumar Sharma - Director (w.e.f December 20, 2021)
Mr. Rajesh Gattani - Chief Financial Officer (w.e.f October 07, 2021)
Mr. Asheem Sehgal - Company Secretary (w.e.f October 07, 2021)
Mr. Rajiv Shah - Executive Director (ceased w.e.f February 12, 2020)

Relatives of Management personnel :

Mridvika Shah
Vatsankit Shah
Rajiv Shah
Nisha Shah
Gyarsi Lal Shah (upto October 13, 2020)
Vimal Kumar Agarwal
Karuna Devi agarwal
Mudit Agarwal

Entities in which Key Management personnel exercise significant influence:

Jagdamba Mines & Minerals
Shah Projects Private Limited
Vaishanavi Natural Minerals LLP
Gyarsi Lal Shah (HUF)
Mayank Shah (HUF)
Global Mining Company
Global Casting Private Limited
Republic Engineering Company
Super Towers Private Limited
Shah Infrastructures
Laminated Products (India)
Granite Mart Limited
Divine Surfaces Private Limited
AVA Stones Private Limited
NSA Casting LLP
N S Associates
Gladwin Engineers Private Limited
Glittek Granites Limited
R.S. Associates

(All amounts in INR millions, unless otherwise stated)

B) Details of Transaction Entered during the year	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I. Transactions			
Directors' and KMP Remuneration (including bonus,commission and PF)			
Mayank Shah	28.35	19.25	13.10
Rajiv Shah	-	-	2.80
Sweta Shah	6.36	10.93	3.81
Sudhir Baxi - Sitting Fees	0.03	-	-
Dinesh Kumar Govil - Sitting Fees	0.03	-	-
Yashwant Kumar Sharma - Sitting Fees	0.03	-	-
Rajesh Gattani	0.61	-	-
Aseem Sehgal	0.54	-	-
Professional Fee to Directors			
Aseem Sehgal	0.18	0.29	-
Ashish Kumar Kachawa	1.20	1.28	-
Rental income and maintenance charges	0.84	1.34	1.28
Purchase			
Global Mining Company	-	-	7.19
Sale			
Granite Mart Limited	-	-	0.72
Sweta Shah	2.70	1.93	-
Global Mining Company	0.56	-	-
Sale of Investment Property			
Global Casting Private Limited	20.70	-	-
Purchase of Property, Plant and Equipment			
Vaishanavi Natural Minerals LLP	0.02	-	-
Interest Income			
Shah Projects Private Limited	0.35	0.41	0.08
AVA Stones Private Limited	0.46	0.40	-
Divine Surface Private Limited	1.63	0.41	-
Loan Given			
Divine Surfaces Private Limited			
Opening balance	12.38	3.60	-
Loan Given	1.50	12.00	3.60
Interest received	1.63	0.41	-
Less repaid	0.17	3.63	-
Net balance	15.34	12.38	3.60
Loan Given			
Shah Projects Pvt. Ltd.			
Opening balance	4.04	13.67	-
Loan Given	-	4.00	13.60
Interest received	0.35	0.41	0.08
Less repaid	0.28	14.04	0.01
Net balance	4.11	4.04	13.67
AVA Stones Pvt Ltd			
Opening	3.87	-	-
Loan Given	-	3.50	-
Interest received	0.46	0.40	-
Less: Repaid	0.05	0.03	-
Net balance	4.28	3.87	-

II. Balances

Employee Benefits Payables			
Rajiv Shah	-	0.92	0.92
Sweta Shah	-	-	0.37
Mayanak Shah	0.37	-	-
Rajesh Gattani	0.07	-	-
Aseem Sehgal	0.08	-	-
Trade Payables			
Sudhir Baxi - Sitting Fees	0.03	-	-
Dinesh Kumar Govil - Sitting Fees	0.03	-	-
Yashwant Kumar Sharma - Sitting Fees	0.03	-	-
Ashish Kumar Kachawa	0.04	0.14	
Loan to Employees			
Mayank Shah	2.17	-	-
Rajesh Gattani	0.19	-	-
Advance to Vendors			
Jagdamba Mines & Minerals	-	-	0.04
Glittek Granites Limited	-	-	0.20
Global Mining Company	-	0.13	0.26
Laminated Products (India)	-	0.36	-
Vaishanavi Natural Minerals LLP	-	-	0.03
Rent Receivable	-	0.83	-
Loans			
Shah Projects Pvt. Ltd.	4.11	4.04	13.67
Divine Surfaces Private Limited	15.34	12.38	3.60
AVA Stones Pvt Ltd	4.28	3.87	-
Trade receivable			
Granite Mart Limited	-	-	0.72
Sweta Shah	1.27	2.28	-

Related party transactions eliminated during the year while preparing the restated consolidated financial information:

Global Surfaces Limited

Revenue from sale of goods			
Global Surfaces Inc	218.76	76.79	-
Management Fees			
Global Surfaces Inc	2.43	-	-

Related party balances eliminated during the year while preparing the restated consolidated financial information:

Global Surfaces Limited

Trade receivable			
Global Surfaces Inc	100.44	47.03	-
Other receivables			
Global Surfaces FZE	13.97	-	-

(All amounts in INR millions, unless otherwise stated)

Note 41 - Fair value measurements

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Financial assets - at amortised cost			
Non-current loans	19.93	20.87	17.56
Security deposits	18.43	13.15	9.09
Trade receivables	389.78	398.01	280.68
Cash and cash equivalents	20.34	54.44	5.77
Bank balances other than cash and cash equivalents	5.93	10.71	7.58
Current loans	92.31	1.44	2.82
Export Incentive Receivables	3.19	0.41	1.14
Other Receivable	3.20	1.16	1.68
Financial assets- at fair value through profit and loss			
Investment in mutual funds	106.63	-	-
Total financial assets	**659.74**	**500.19**	**326.32**
Financial liabilities - at amortised cost			
Borrowings (including current maturities and short term borrowings)	372.82	374.60	534.87
Trade payables	187.49	164.98	78.66
Interest accrued on borrowings	0.07	0.36	5.09
Lease liabilities on Right-of-use assets	421.88	6.67	2.40
Employee Benefits payables	15.71	15.45	5.20
Other financial liabilities	-	-	-
Total financial liabilities	**997.97**	**562.06**	**626.22**

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the restated consolidated financial statements.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The mutual funds are valued using the closing net assets value.

(iii) Valuation process

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

Particulars	As at March 31,2022		As at March 31,2021		As at March 31,2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets						
Non-current loans	19.93	19.93	20.87	20.87	17.56	17.56
Security deposits	18.43	18.43	13.15	13.15	9.09	9.09
Total financial assets	**38.36**	**38.36**	**34.02**	**34.02**	**26.65**	**26.65**
Financial liabilities						
Borrowings (including current maturities)	116.02	116.02	76.77	76.77	160.63	160.63
Lease liabilities on right to use asset	421.50	421.50	6.67	6.67	2.40	2.40
Total financial liabilities	**537.52**	**537.52**	**83.44**	**83.44**	**163.03**	**163.03**

(All amounts in INR millions, unless otherwise stated)

(iv) Fair value of financial instruments measured through profit and loss

Particulars	As at Mach 31, 2022		
	Level 1	Level 2	Level 3
Financial assets			
Investment in mutual fund	106.63	-	-
Total financial assets	**106.63**	**-**	**-**

The carrying amounts of Trade receivables, Cash and cash equivalents, Bank balances other than cash and cash equivalents, Current loans, Current maturities and short term borrowings, Trade payables, Interest accrued on borrowings, security deposits and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

Note 42 - Financial risk management

The Group's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Group's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Group to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Group's activities expose it to variety of financial risks namely market risk, credit risk, liquidity risk and commodity risk. The Group has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The Group's principal financial liabilities comprise of borrowings, trade and other payables. The Group's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimize the potential adverse effects of financial market on the Group's performance are outlined hereunder:

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Group establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables and advances.

(i) Trade Receivables:

The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The major customers of the Group are large corporates which are operating in serval jurisdiction and they have a good credit record. For all the customer, the Group regularly monitors the payment track record of each customer and outstanding customer receivables.

To address the concentration risk, the Group is exploring middle east market by establishing production facility there by incorporating a wholly owned subsidiary. Having production facility in middle east will provide Group an added advantage, competitiveness and preference by the potential customer in that region.

Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically.

The average credit period taken on sales of goods is 30 to 150 days. Generally, no interest has been charged on the receivables. The Group generally does not hold any collateral over any of its trade receivables i.e all of the trade receivables are unsecured, however the Group takes ECGC coverage for most of its shipment according to credit limits of various customers to mitigate the credit risk.

Expected Credit Loss (ECL):

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss(%)
Less than 1 year	Nil
1-2 Years	20%
2-3 Years	30%
More than 3 Years	50%

For ageing of trade receivable refer note 14.

(ii) Cash and cash equivalents and short-term investments:

The Group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Group does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.
Further, the Group also invests its surplus fund into short term highly liquid investment/mutual funds. For investment into these investment, the Group takes services of independent experts who can advise the investment which have minimal market risk.

(B) Liquidity Risk:

(All amounts in INR millions, unless otherwise stated)

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date:

Particulars	Less than one years	More than one year	Total
As at March 31, 2022			
Borrowings (Including Interest accrued, current borrowings and current maturities)	264.96	107.93	372.89
Trade payables	187.49	-	187.49
Lease liabilities on Right-of-use assets	0.38	421.50	421.88
Employee benefits payable	15.71	-	15.71
Other financial liabilities	-	-	-
Total	**468.54**	**529.43**	**997.97**

Particulars	Less than one years	More than one year	Total
As at March 31, 2021			
Borrowings (Including Interest accrued, current borrowings and current maturities)	310.38	64.58	374.96
Trade payables	164.98	-	164.98
Lease liabilities on Right-of-use assets	0.00	6.67	6.67
Employee benefits payable	15.45	-	15.45
Total	**490.81**	**71.25**	**562.06**

Particulars	Less than one years	More than one year	Total
As at March 31, 2020			
Borrowings (Including Interest accrued, current borrowings and current maturities)	402.32	137.64	539.96
Trade payables	78.66	-	78.66
Lease liabilities on Right-of-use assets	0.00	2.40	2.40
Employee benefits payable	5.20	-	5.20
Total	**486.18**	**140.04**	**626.22**

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks : foreign currency risk, interest risk and other price risk such as commodity risk.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Group does not enter into financial instrument transactions for trading or speculative purpose.

The Group transacts business primarily in USD, Indian Rupees and Euro. The Group has foreign currency trade payables, borrowings and trade receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies i.e for some trade receivables the Group takes buyer credit facilities which is denominated in same foreign currency. The Group also uses forward exchange contract to mitigate the foreign exchange risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
I. Assets						
Trade and other receivables						
USD	5.21	394.63	5.34	392.63	3.74	279.08

(All amounts in INR millions, unless otherwise stated)

AED	0.67	13.97	-	-	-	-
Total Trade and other receivables	**5.88**	**408.60**	**5.34**	**392.63**	**3.74**	**279.08**
Cash and cash equivalent						
USD	0.02	1.60	0.01	0.78	0.03	2.00
AED	0.70	14.53	-	-	-	-
Total Cash and cash equivalent	**0.72**	**16.13**	**0.01**	**0.78**	**0.03**	**2.00**
Total assets	**6.60**	**424.73**	**5.35**	**393.41**	**3.77**	**281.08**
Unhedged Assets	**6.60**	**424.73**	**5.35**	**393.41**	**3.77**	**281.08**
II. Liabilities						
Borrowings						
USD	2.41	182.46	2.83	208.20	6.39	486.85
Trade and others payable						
USD	0.01	0.48	0.01	1.01	0.04	2.91
EURO	0.07	5.80	0.11	9.20	0.09	7.99
Total Liabilities	**2.49**	**188.74**	**2.95**	**218.41**	**6.52**	**497.75**
Unhedged Liabilities (B)	**2.49**	**188.74**	**2.95**	**218.41**	**6.52**	**497.75**
Net Exposure (A-B)	**4.11**	**235.99**	**2.40**	**175.00**	**(2.75)**	**(216.67)**

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the group would result in increase / (decrease) in the group's profit before tax by approximately 23.60 for the year ended March 31, 2022

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Group at the end of each reporting period.

Derivative Financial Instruments

The Group, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to hedge against foreign currency exposures relating to highly probable forecast transactions. The Group does not enter into any derivative instruments for trading or speculative purposes. The counter party is generally a bank. These contracts are for a period between 9-12 months.

Foreign Currency (FC)	As at March 31, 2022			As at March 31, 2021		
	No. of Contracts	Amount of forward contracts (FC)	Amount of forward contracts (INR)	No. of Contracts	Amount of forward contracts (FC)	Amount of forward contracts (INR)
USD	6	4.25	334.44	3	1.50	115.91

Mark-to-market gain	As at March 31, 2022	As at March 31, 2021
Mark-to-market gains (net)	2.73	0.08
Classified as current assets (refer note 19)	2.73	0.08

(b) Interest risk

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debts and packing credit facilities having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the risk is very low.
The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(a) Interest rate exposure

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	10.60	12.95	38.19
Variable rate borrowing	362.22	361.65	496.69
Total	**372.82**	**374.60**	**534.88**

(b) Sensitivity

(All amounts in INR millions, unless otherwise stated)

Profit or loss is sensitive to higher / lower interest expense as a result of changes in interest rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Group's profit before tax will be impacted by a change in interest rate as follows:

Particulars	Increase/(decrease) in profit before tax		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Increase in interest rate by 50 basis points (50 bps)	(1.81)	(1.81)	(2.48)
Decrease in interest rate by 50 basis points (50 bps)	1.81	1.81	2.48

(iii) Commodity Risk:

The Group is exposed to the movement in the price of key raw materials in the domestic market. The Group has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. In cases, The Group foresee any fluctuations in the prices of key raw material, it makes an understanding with the major suppliers and place advance orders for the raw material.

Note 43 - Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, security premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value and to ensure the Group's ability to continue as a going concern.

The Group has not distributed any dividend to its shareholders. The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowing. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particular	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Total equity (A)	1,340.34	984.34	644.84
Total debt (B)	372.82	374.60	534.88
Gearing ratio (A/B)	**0.28**	**0.38**	**0.83**

Note 44 - Employee benefit obligations

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Non-current			
Compensated absences	3.83	1.74	-
Gratuity	-	3.78	2.55
Current			
Compensated absences	0.42	0.18	-
Gratuity	-	2.05	1.67
Total	**4.25**	**7.75**	**4.22**

(i)Leave obligations

The leave obligations cover the Group's liability for compensated absences

The amount of the provision of 0.42 (March 31, 2021 : 0.18 , March 31, 2020 : Nil) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Leave obligations not expected to be settled within next 12 months	3.83	1.74	-

(ii) Defined contribution plans

The Group has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The contribution made has been recognised in the restated consolidated statement of profit and loss.

(iii) Post employment obligations

Gratuity

(All amounts in INR millions, unless otherwise stated)

The Group 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. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India.

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2019	**3.63**	**(2.15)**	**1.48**
Current service cost	1.30	-	1.30
Interest expense/(income) (Net)	0.27	(0.20)	0.07
Total amount recognised in profit and loss	**1.57**	**(0.20)**	**1.37**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	0.05	0.05
(Gain)/loss from change in experience adjustments	1.44	-	1.44
(Gain)/loss from change in financial assumptions	0.30	-	0.30
Total amount recognised in other comprehensive income	**1.74**	**0.05**	**1.79**
Employer contributions	-	(0.41)	(0.41)
Benefit payments	(0.17)	0.17	-
As at March 31, 2020	**6.77**	**(2.54)**	**4.22**

Particulars	Present Value of Obligation	Fair Value of plan Asset	Net Amount
As at March 31, 2020	**6.77**	**(2.54)**	**4.22**
Current service cost	1.67	-	1.67
Interest expense/(income)	0.46	(0.22)	0.24
Total amount recognised in profit and loss	**2.13**	**(0.22)**	**1.91**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	0.09	0.09
(Gain)/loss from change in experience adjustments	(0.67)	-	(0.67)
(Gain)/loss from change in financial assumptions	0.29	-	0.29
Total amount recognised in other comprehensive income	**(0.38)**	**0.09**	**(0.29)**
Employer contributions	-	-	-
Benefit payments	0.71	(0.71)	-
As at March 31, 2021	**9.21**	**(3.38)**	**5.83**

Particulars	Present Value of Obligation	Fair Value of plan Asset	Net Amount
As at March 31, 2021	**9.21**	**(3.38)**	**5.83**
Current service cost	2.06	-	2.06
Interest expense/(income)	0.49	(0.18)	0.31
Total amount recognised in profit and loss	**2.55**	**(0.18)**	**2.37**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(0.01)	(0.01)
(Gain)/loss from change in experience adjustments	(0.57)	-	(0.57)
(Gain)/loss from change in financial assumptions	(0.45)	-	(0.45)
Total amount recognised in other comprehensive income	**(1.02)**	**(0.01)**	**(1.03)**
Employer contributions	-	(7.18)	(7.18)
Benefit payments	(0.36)	0.36	-
As at March 31, 2022*	**10.38**	**(10.39)**	**(0.01)**

* Shown under other current assets

The net liability disclosed above relating to funded and unfunded plans is as below:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	10.38	9.21	6.77
Fair value of plan assets	(10.39)	(3.38)	(2.54)
Deficit of funded plan	**(0.02)**	**5.83**	**4.23**
Unfunded plans	-	-	-
Deficit of gratuity plan	**(0.02)**	**5.83**	**4.23**

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

(All amounts in INR millions, unless otherwise stated)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Discount rate	6.95%	6.35%	6.80%
Employee turnover	6.00%	6.00%	6.00%
Salary growth rate	6.00%	6.00%	6.00%
Mortality rate		Indian assured lives mortality (2012-14)	

(iv) Sensitivity analysis

The value of the defined benefit obligation to changes in the weighted principal assumptions is as below:

	Impact on defined benefit obligation					
	Increase in assumptions			**Decrease in assumptions**		
Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Discount rate (0.5% change)	8.63	7.48	6.50	9.34	8.16	7.07
Salary growth rate (0.5% change)	9.31	8.10	7.05	8.67	7.46	6.51
Employee turnover (10% change)	8.98	7.81	6.77	8.91	7.80	6.77

The above sensitivity analysis is 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 as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) The major categories of plan assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(vi) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below :

Interest rate risk: A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk (ALM risk): The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance Group and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 8-10 years. The expected maturity analysis of undiscounted gratuity is as follows:

Projected benefits payable in future years from the date of reporting	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
1st following year	1.47	0.45	0.37
Sum of years 2 to 5	2.75	3.00	2.74
Sum of years 6 to 10	3.67	2.92	3.08

Note 45 - Segment Reporting

The board of directors (BOD) are the Group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the BOD for the purposes of allocating resources and assessing performance. Presently, the Group is engaged in only one segment natural stone and engineered quartz used in surface and counter tops and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. The Group has major revenue from outside India.

Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, is as reflected in the consolidated financial statements as of and for the year ended March 31, 2022.

(All amounts in INR millions, unless otherwise stated)

We provide a significant volume of services to few customers. Therefore, a loss of a significant customer could materially reduce our revenues. The Group has following customers for the financial year ended March 31, 2022, year ended March 31, 2021 and year ended March 31, 2020 that accounted for 10% or more of total sale of goods.

Particulars	As at March 31, 2022	% of total sale of goods	As at March 31, 2021	% of total sale of goods	As at March 31, 2020	% of total sale of goods
Customer A	693.84	36.69%	694.58	39.80%	659.85	40.57%
Customer B	334.15	17.67%	373.20	21.38%	255.81	15.73%
Customer C	208.89	11.05%	207.61	11.90%	180.29	11.08%

Note 46 - Earnings per share

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(a) Basic			
Profit for the year attributable to the equity holders of the Parent Company	356.34	339.32	209.64
Weighted average number of equity shares outstanding at the year end	33,861,818	33,861,818	33,861,818
Earnings per Equity shares attributable to the equity holders of the Parent Company (Basic and diluted) (In INR)	10.52	10.02	6.19
Nominal value per equity share (INR)	10	10	10

Note 47 - Contingent liabilities and capital committments

A. Contingent liabilities

Description	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Description			
Income tax matters	49.85	2.66	2.66
GST related matter	1.25	5.46	-
Claims against the Group not acknowledged as Debt	0.45	0.45	0.45

a) A search under Section 132 of the Income Tax Act, 1961 was conducted on December 29, 2020 on the parent company, promoters and their group entities. The parent company has not surrendered any undisclosed income pursuant to return filed u/s 153A of Income Tax Act, 1961.Assessments has also been completed for the block period with certain additions against which the parent company has preferred appeal. The amount of tax demand has been duly shown under contingent liabilities.

b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The parent company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

B. Capital Commitments

Description	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Estimated value of contracts in capital account remaining to be executed	1,175.02	-	-

Note 48 - Ind AS-116, leases

For movement of ROU assets (refer note 5)

The following is the movement of lease liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020

Balance at the beginning	**6.67**	**2.40**	**2.40**
Additions	409.41	4.03	-
Finance cost accrued during the year	6.02	0.46	0.22
Payments of Lease liabilities	(0.22)	(0.22)	(0.22)
Balance at the end	**421.88**	**6.67**	**2.40**

Amount recognised in statement of profit and loss:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Depreciation expense on Right-of -use of Assets	1.50	1.35	0.92
Interest expense on lease liabilities	6.02	0.46	0.22
Expense relating to short term leases and low value assets*	1.83	0.37	0.57
Total	**9.35**	**2.18**	**1.71**

* Included in rent, rates and taxes

Note 49 - Interest in other entities

(a) Subsidiaries

The group's subsidiaries are set out below. Unless otherwise stated , the proportion of ownership interests held equals the voting right held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	**Place of business / country of incorporation**	**Ownership interest held by the group**		**Ownership interest held by the non-controlling interests**		**Principal activities**
		As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**	
Global Surfaces Inc.*	United States of America	99.90%	99.90%	99.90%	99.90%	Trading of quartz slabs
Global Surfaces FZE**	United Arab Emirates	100.00%	NA	100.00%	NA	Manufacturing of quartz slabs

There were no subsidiary of the group during the financial year 2019-20.

*The Group has acquired control of subsidiary since its incorporation i.e w.e.f April 21, 2020 (F.Y 2020-21)

**The Group has acquired control of subsidiary since its incorporation i.e w.e.f December 14, 2021 (F.Y 2021-22)

Note 50 - Schedule III amendments

The following Schedule III amendments is not applicable on the Group:

(i) The group is not holding any benami property under the "Benami Transactions (Prohibition) Act, 1988;

(ii) The group do not have any transactions/balances with companies struck off under section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956;

(iii) The group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

  (a) 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

  (b) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries;

(iv) The group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The group does not have any modification or satisfaction of charge which is required to be registered with the RoC beyond statutory period.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure VII - Statement of Adjustments to Audited Consolidated Financial Statements
(All amounts in INR millions, unless otherwise stated)

Note 51 - Statement of Adjustments to Audited Consolidated Financial Statements

Summarized below are the restatement adjustments made to the Audited Consolidated Financial Statements for the years ended March 31, 2022 and March 31, 2021 and Audited Standalone Financial Statements for the year ended March 31, 2020 and their impact on equity and the profit of the group:

Part A: Statement of Adjustment to Audited Consolidated Financial Information

Reconciliation between Audited Equity and Restated Equity

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Total Equity as per Audited Consolidated Financial Statements	1,340.35	984.34	649.62
Restated Adjustments:			
Allowances for credit losses (refer note (b) below)	-	-	(2.78)
Interest income on EIR basis (refer note (c) below)	-	-	0.02
Staff welfare expenses (refer note (c) below)	-	-	(0.12)
Adjustment as per IND AS 116: Lease Adjustments (refer note (d) below)	-	-	(0.06)
Adjustment in provision for employee benefits as per Ind AS 19			(3.60)
Deferred tax on Ind AS adjustments	-	-	1.76
Total Impact of adjustments	**-**	**-**	**(4.77)**
Total Equity as per Restated Consolidated Financial Information	**1,340.35**	**984.34**	**644.84**

Reconciliation between Audited Profit and Restated Profit

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Profit after tax as per Audited Consolidated Financial Statements	357.26	339.50	227.53
Restated Adjustments:			
MAT Credit Adjustment (refer note (a) below)	-	-	(15.77)
Allowances for credit losses (refer note (b) below)	-	-	(2.22)
Interest income on EIR basis (refer note (c) below)	-	-	0.02
Staff welfare expenses (refer note (c) below)	-	-	(0.09)
Lease Adjustments (refer note (d) below)	-	-	(0.03)
Other comprehensive income adjustment (refer note (e) below)	-	-	1.79
Adjustment in provision for employee benefits as per Ind AS 19	-	-	(2.35)
Deferred tax on Ind AS adjustments	-	-	0.75
Total Impact of adjustments	**-**	**-**	**(17.90)**
Restated Profit after tax as per Restated Consolidated Financial Information	**357.26**	**339.50**	**209.64**

Note 1 - Material regrouping/ reclassification - Appropriate regrouping/ reclassification have been made in the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated statement of cash flows, wherever required, by reclassification of corresponding items of income, expenses, assets, liabilities, cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Consolidated Financial Statements for the year ended March 31, 2022, prepared in accordance with Schedule- III (Division-II) of the Act, requirements of IND AS 1 - 'Preparation of financial statements' and other applicable IND AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Note 2 - The group has adopted Ind AS in it's audited financial statements from period beginning on or after April 01, 2020. However, in restated financial statements group is also required to present Balance Sheet as at March 31, 2020 and Statement of Profit and Loss for the year ended March 31, 2020. Therefore, the group has restated the audited net worth as at March 31, 2020 and profit for the year ended March 31, 2020 to show the impact of adoption of Indian Accounting Standards from Financial Year 2019-20 onwards.

Note 3: Explanation on restatement adjustment

a) MAT Credit Adjustment

The Group has recognised MAT credit entitlement amounting to 15.77 for F.Y 2018-19 according to the provision of Ind AS 12-"Income Taxes". Under previous GAAP, group has recognised the MAT credit pertaining to FY 2018-19 in FY 2019-20. Since, that MAT credit was recognised as per previous GAAP in FY 2019-20, MAT credit recognised in Ind AS during FY 2018-19 has been reversed.

b) Allowances for credit losses

Under previous GAAP, the Group provides for provision based on the pre-determined policy. Under Ind AS, the Group recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss.

c) Interest income on EIR basis

Under Ind AS 109, financial assets are measured at their fair value on initial recognition and thereafter measured at amortised cost. If the fair value of financial assets differs from the transaction price, the difference is recognised as gain or loss unless it qualifies for recognition as some other type of asset. The Group has discounted interest free loans given to the employees which were measured at nominal value under previous IGAAP and recognised the difference between fair value and transaction value as staff welfare expenses and interest income is recognised on the same on EIR basis.

d) Leases

Under previous GAAP, lease rentals were required to expenses in the year of accrual. On transition, the Group recognised a lease liability measured at the present value of the remaining lease payments and the Group has applied modified retrospective approach with ROU asset equal to lease liability.

e) Other comprehensive income

Under Ind AS, remeasurement of defined benefit liability (asset) are recognised in other comprehensive income. Under previous GAAP, the Company recognised such remeasurements in profit or loss. However, this has no impact on the total comprehensive income and total equity. The concept of other comprehensive income did not exist under previous GAAP.

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure VII - Statement of Adjustments to Audited Consolidated Financial Statements
(All amounts in INR millions, unless otherwise stated)

Note 52 - Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary

For the year ended March 31, 2022

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Global Surfaces Limited	99.70%	1,336.38	99.51%	354.60	80.88%	0.74	99.46%	355.34
Subsidiary								
Foreign								
Global Surfaces Inc.	0.35%	4.67	0.48%	1.69	0.00%	-	0.47%	1.69
Global Surfaces FZE	1.08%	14.48	0.00%	-	0.00%	-	0.00%	-
Minority interests in Subsidiary								
Global Surfaces Inc.	0.00%	0.00	0.00%	0.00	0.00%	-	0.00%	0.00
Global Surfaces FZE								
Adjustment due to consolidation	-1.13%	(15.19)	0.01%	0.05	19.12%	0.18	0.07%	0.24
Total	**100.00%**	**1,340.34**	**100.00%**	**356.34**	**100.00%**	**0.92**	**100.00%**	**357.26**

Global Surfaces Limited (formerly known as Global Stones Private Limited)
Annexure VII - Statement of Adjustments to Audited Consolidated Financial Statements
(All amounts in INR millions, unless otherwise stated)

For the year ended March 31, 2021

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated profit	Amount	As % of consolidated other	Amount	As % of consolidated total	Amount
Parent								
Global Surfaces Limited	99.79%	982.30	99.39%	337.26	113.71%	0.21	94.46%	337.47
Subsidiary								
Foreign								
Global Surfaces Inc.	0.29%	2.85	0.63%	2.13	0.00%	-	0.60%	2.13
Minority interests in Subsidiary								
Global Surfaces Inc.	0.00%	0.00	0.00%	0.00	0.00%	-	0.00%	0.00
Adjustment due to consolidation	-0.08%	(0.81)	-0.02%	(0.07)	-13.71%	(0.03)	-0.03%	(0.10)
Total	**100.00%**	**984.34**	**100.00%**	**339.32**	**100.00%**	**0.19**	**95.03%**	**339.50**

For the year ended March 31, 2020

Additional information as required under Schedule III to the Companies Act, 2013 is not applicable for the year ended March 31, 2020 as there were no subsidiary during the said year

These are the notes referred to in our report of even date.

For B. KHOSLA & CO.
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Date: June 17, 2022
Place: Jaipur

For and on behalf of the Board of Directors

MAYANK SHAH
Managing Director
DIN:01850199

SWETA SHAH
Director
DIN:06883764

RAJESH GATTANI
Chief Financial Officer
PAN:AWYPG6108R

ASEEM SEHGAL
Company Secretary
M. No.: A55690

OTHER FINANCIAL INFORMATION

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings per Share (Basic or Diluted)	10.52	10.02	6.19
Return on Net Worth (%)	26.59%	34.47%	32.51%
Net Asset Value per Equity share	39.58	152.61	99.98
EBITDA	498.42	505.58	432.27

Notes -

The ratios have been computed as per the following formulas -

(i) Basic Earning per Share :

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares at the end of the year/period}}$$

(ii) Diluted Earning per Share :

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares at the end of the year/period + diluted shares at the end of the year/period}}$$

(iii)Return on Net Worth (%) :

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net worth of equity shareholders}}$$

(iv)Net Asset Value per Equity Share :

$$\frac{\text{Restated Net worth of equity shareholders}}{\text{No. Of equity shares outstanding at the end of the year/period}}$$

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2022, on the basis of the Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with "*Risk Factors*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 31, 232 and 289, respectively.

(in ₹ Million, except ratio)

Particulars	Pre-Offer as at March 31, 2022	As adjusted for the Offer
Total Borrowings		
Current Borrowing (A)	264.89	[●]
Non Current Borrowings (B)	107.93	[●]
Total Borrowings (C = A + B)	**372.82**	**[●]**
Equity		
Equity Share Capital	338.62	[●]
Other Equity	1,001.72	[●]
Total Equity (D)	**1,340.34**	**[●]**
Total Debt/total equity (C)/(D)	**0.28**	**[●]**

Notes:
(1) The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence the same have not been provided in the above statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Consolidated Financial Statements for the Financial Years 2022, 2021 and 2020 including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus. Unless otherwise stated, financial information used in this section is derived from the Restated Consolidated Financial Statements.

While we have historically prepared our financial statements in accordance with Indian GAAP, in accordance with applicable law, we have transitioned our financial reporting from Indian GAAP to Ind AS, with April 1, 2021 as the transition date. This section includes a discussion of financial results for the Financial Years 2022, 2021 and 2020 which were prepared under Ind AS. For the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard". The Restated Financial Statements, prepared and presented in accordance with Ind AS and in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI ICDR Regulations and the "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI.

Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. As a result, the Restated Financial Information Statements may not be comparable to our historical financial statements.

This discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "Forward-Looking Statements" and "Risk Factors" on pages 21 and 31, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations. Our Financial Year ends on March 31 of each year and accordingly, references to Financial Year, are to the 12-month period ended March 31 of the relevant year.

Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to Global Surfaces Limited on a consolidated basis and references to "the Company" or "our Company" refers to Global Surfaces Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Report on Natural and Engineered Stone Industry" dated May 2022 (the "**CARE Report**"), prepared and issued by CARE Advisory Research and Training Limited and exclusively commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factor No. 55 – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report exclusively commissioned and paid for by us for such purpose at an agreed fee for the purpose of the Offer. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 59. Also see, "Currency Conventions, Currency of Presentation, Use of Financial Information, Industry and Market Data" on page* 18.

OVERVIEW

Our Company is engaged in the business of processing natural stones and manufacturing engineered quartz. Natural stones are produced by complex geological processes and include a number of products such as granite, limestone, marble, slate, quartzite, onyx, sandstone, travertine, and others that are quarried from the earth. Natural stones are widely known for their uniqueness, aesthetic appeal, texture, color, and composition as no two natural stones are the same. Engineered quartz on the other hand, is an example of engineered stone used in the countertop industry, which is a composite material made up of crushed stone bonded by an adhesive. For instance, for countertops, the slabs are made from quartz crystals bonded with a resin binder.

Globally, the natural and engineered stone (combined) market accounted for $60,148 million in 2021 and is predicted to reach of $105,265 million by 2030. In the year 2021, the natural stone segment accounted for a major 60% of market share with $35,999 million while the contribution of engineered stone segment stood at $24,150 million. However, in projected years between 2021 and 2026, the engineered stone is expected to grow at a higher CAGR of 7-8% as compared to natural stone which is expected to grow at a CAGR of 6-7%. This is mainly because the engineered stones are non-porous, strong, durable and stain resistant. The engineered stones are also available in various colors and designs which is making them a preferred choice. *(Source: CARE Report)*

The table below sets forth certain key operational and financial metrics for the periods indicated:

(₹ in Million, except percentages)

Particulars	Fiscal		
	2020	2021	2022
Revenue from operations	1632.91	1753.71	1903.13
EBITDA	428.05	509.53	498.48
EBITDA margin	26.21%	29.05%	26.19%
Restated profit for the year	209.64	339.32	356.34
Restated profit for the year as % of Revenue (PAT margin)	12.84%	19.35%	18.72%
Capital employed	787.43	1,061.11	1,873.61
ROCE (%)	54.36%	48.02%	26.61%
ROE (%)	32.51%	34.47%	26.59%
Debt-to-Equity ratio	0.83	0.39	0.28

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

Except as stated below, to our knowledge no circumstances have arisen since March 31, 2022 that could materially and adversely affect or are likely to affect, our operations or profitability, or the value or our ability to pay our material liabilities within the next 12 months:

- Our Company has invested AED 8.94 million (equivalent to INR 186.82 million) in its wholly owned subsidiary, Global Surfaces FZE incorporated under the laws of UAE for setting up of manufacturing facilities.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 31 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

Availability of substitutes

There are other alternative materials available in the market such as tiles, laminate, hardwood flooring and soft flooring like carpet which are gaining popularity among people as these materials are ready to use and do not require any additional coating. Also, the cost of alternative flooring materials is cheap compared to engineered stones which make these materials even more preferable among people with low income.

Fluctuation in raw material prices:

Prices of quartz have fluctuated significantly in the last few years. Increase in shipping costs and expensive sand mix, are some factors leading to a rise in quart prices. There has been an unprecedented rise in the market price of resin due to recent Russia-Ukraine war and Covid-19 pandemic related issues like supply chain issues, production difficulties and shortage of labor.

Fierce Competition

There are a large number of natural stone & engineered quartz manufacturers around the world with roughly the same level of competitiveness, which will affect the bargaining power of major players in the industry and require more research and development to form a unique competitive advantage. And many manufacturers have rich experience in the field of marble and natural stone & engineered quartz, and have a strong brand image, which will raise the barriers to entry for the industry and limit the number of new entrants. The vendors adopt strategies like price competitions to stay competitive in the market. The fierce competition is not conducive to the sustainable development of the industry.

Volatile organic compounds and resin pooling to hamper engineered quartz market growth

Volatile organic compounds (VOCs) are the major problem with manufactured engineered quartz products as the chemical formulation used to manufacture them may release harmful gases. Many developed has laws to regulate which chemicals can be used in kitchen countertops and near food items, considering that formaldehyde is currently being phased out of kitchen countertops and other cabinetry solutions. One of the basic issues associated with quartz countertops is resin pooling, where the inconsistency in the countertop leads to large pools of coloured resin surfacing the material unevenly, thus minimizing the benefits of the aesthetic appearance and affecting product demand across the global market.

Other factors effecting our result of operations are:

- Employee and sales promotion expenses;
- Entering new markets and growing our network of dealers;
- Changes in laws and regulations applicable to our Industry;
- Company's inability to successfully implement its growth and expansion plans;

RESULTS OF OPERATIONS

The following table sets forth detailed total income data from our restated consolidated statement of profit and loss for the Financial Years 2022, 2021 and 2020, the components of which are also expressed as a percentage of revenue from operations for such years.

Particulars	Fiscal 2022		Fiscal 2021		Fiscal 2020	
	Rs. in Millions	%	Rs. in Millions	%	Rs. in Millions	%
i. Sale of products:						
Total revenue from sale of products	1,891.46	95.36%	1,745.37	97.50%	1,626.62	98.12%

Particulars	Fiscal 2022		Fiscal 2021		Fiscal 2020	
	Rs. in Millions	%	Rs. in Millions	%	Rs. in Millions	%
ii. Other operating revenues:						
Export Incentive	5.65	0.28%	4.79	0.27%	5.24	0.32%
Handling charges and other operating Income	6.02	0.30%	3.55	0.20%	1.05	0.06%
Total Revenue from Operations (i + ii)	**1903.13**	**95.94%**	**1753.71**	**97.97%**	**1632.91**	**98.50%**
Other Income:						
Exchange Gain (net)	43.35	2.19%	26.08	1.46%	14.26	0.86%
Gain on disposal of property, plant and equipment	20.86	1.05%	0.29	0.02%	-	-
Miscellaneous Income	6.68	0.34%	4.56	0.25%	5.49	0.33%
Interest income on loan given	5.58	0.28%	2.01	0.11%	1.12	0.07%
Gain on sale and revaluation of Mutual Funds	3.13	0.16%	0.91	0.05%	0.89	0.05%
Rental income	0.84	0.04%	1.34	0.07%	3.13	0.19%
Reversal of expected credit loss	-	-	1.14	0.06%	-	-
iii. Total Other Income	**80.44**	**4.06%**	**36.33**	**2.03%**	**24.89**	**1.50%**
Total Income (i+ii+iii)	**1983.57**	**100.00%**	**1790.04**	**100.00%**	**1657.80**	**100.00%**

Our Company's total income increased to ₹ 1983.57 million in Financial Year 2022 from ₹ 1790.04 million in Financial Year 2021 and ₹ 1657.80 million in Financial Year 2020. The increase in Financial Year 2022 over Financial Year 2021 is 10.81%, while the growth in total income in Financial Year 2021 over Financial Year 2020 is 7.98%.

Product wise Bifurcation of revenue:

Sr. No.	Type of Products	2022 (Rs. In Million)	%	2021 (Rs. In Million)	%	2020 (Rs. In Million)	%
1	Engineered Quartz	1,568.81	79.09	1,262.88	70.55	1,087.51	65.60
2	Natural Stones	322.65	16.27	482.49	26.95	539.11	32.52

The major products of our Company are Engineered Quartz and natural stones which pegged a sales figure of ₹1,626.62 million in Financial Year 2020 and grew by 7.30% in Financial Year 2021 to ₹ 1,745.37 million. The growth in sales in Financial Year 2022 has been 8.37% over Financial Year 2021 clocking a sales revenue of ₹1,891.46 million.

For Financial Year 2022, our Company has total revenue from operations of ₹ 1983.57 million of which export sales, domestic sales, other operating revenue and other income contributed 94.53%, 0.83%, 0.59% and 4.06% respectively. The same figures for Financial Year 2021 stood at 97.09%, 0.41%, 0.47% and 2.03% respectively of the total Income of ₹ 1790.04 million. For Financial Year 2020, export revenues, domestic revenues, other operating revenue and other income constituted 97.76%, 0.36%, 0.38% and 1.50% respectively of the total Income of ₹ 1657.80 million.

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the Financials years 2022, 2021 and 2020, the components of which are also expressed as a percentage of total revenue from operations for such years.

Particulars	Fiscal 2022		Fiscal 2021		Fiscal 2020	
	Rs. in Millions	% of Revenue	Rs. in Millions	% of Revenue	Rs. in Millions	% of Revenue
Income						
Revenue from Operations	1903.13	95.94%	1753.71	97.97%	1632.91	98.50%
Other income	80.44	4.06%	36.33	2.03%	24.89	1.50%
Total Revenue	1983.57	100%	1790.03	100%	1657.80	100%
Expenses						
Cost of materials consumed	986.17	49.72%	793.53	44.33%	713.93	43.06%
Purchases of Stock-in-Trade	-	-	-	-	1.81	0.11%
Changes in inventories of finished goods and work-in-progress	(119.32)	(6.02%)	(74.45)	(4.16%)	(3.69)	(0.22%)
Employee benefits expense	149.30	7.53%	122.69	6.85%	103.79	6.26%
Other expenses	468.94	23.64%	438.74	24.51%	413.92	24.97%
EBIDTA	**498.48**	**25.13%**	**509.52**	**28.46%**	**428.04**	**25.82%**
Finance costs	29.63	1.49%	34.10	1.91%	52.23	3.15%
Depreciation and amortisation expense	107.79	5.43%	130.13	7.27%	168.61	10.17%
Total Expenses	1622.51	81.80%	1444.74	80.71%	1450.59	87.50%
Profit before tax	**361.06**	**18.20%**	**345.30**	**19.29%**	**207.21**	**12.50%**
Less: Current Tax	64.79	3.27%	61.07	3.41%	36.90	2.23%
Less: Deferred Tax	(60.07)	(3.03%)	(56.09)	(3.08%)	(39.33)	(2.37%)
Net Profit for the year	**356.34**	**17.96%**	**339.32**	**18.96%**	**209.64**	**12.65%**

Cost of materials consumed

Cost of materials consumed comprises raw material costs incurred in production of engineered quartz & natural stones (granite/ marble/ quartzite). The primary raw materials involved in the manufacture of our product's engineered quartz is resin, powder, grits, pigment and TiO_2 etc. and the raw materials involved in the manufacturing of natural stone (granite/ marble/quartzite) is granite block, marble block and quartzite block. Raw materials consumed represent a significant majority of our total expenditure. Cost of materials consumed accounted for 51.82%, 45.25% and 43.72% of our revenue from operations for the Financial Year 2022, Financial Year 2021 and Financial Year 2020 respectively.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress consists of costs attributable to an increase or decrease in inventory levels during the relevant financial period in finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress accounted for (6.27) %, (4.25) % and (0.23) % of our revenue from operations for the Financial Year 2022, Financial Year 2021 and Financial Year 2020, respectively.

Employee benefits expense

Employee benefits expense includes (i) salaries and wages, including bonus; (ii) contribution to provident fund and other funds, and (iii) Director's Remuneration (iv) Gratuity (v) staff welfare expenses amongst other expenses for staffers at plants and at office. Employee benefits expense accounted for 7.84%, 7.00% and 6.36% of our revenue from operations for the Financial Year 2022, Financial Year 2021 and Financial Year 2020, respectively.

Finance costs

Finance costs include interest expense on working capital facilities including, term loans and on vehicle loans and bank charges. Finance costs accounted for 1.56%, 1.94% and 3.20% of our revenue from operations for the Financial Year 2022, Financial Year 2021 and Financial Year 2020, respectively.

Depreciation and amortization expenses

Depreciation represents depreciation on our property, plant and equipment. Amortization represents amortization of right of use assets and intangible assets. Depreciation is calculated on a written down value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013 or as per the best estimation of the management. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation and amortization expense accounted for 5.66%, 7.42%, and 10.33% of our revenue from operations for the Financial Year 2022, Financial Year 2021 and Financial Year 2020, respectively.

Other expenses

Other expenses include factory expenses, consumables and stores consumed, repair & maintenance-machinery, electricity expenses, other direct expenses, auditor’s remuneration, CSR expense, donation, insurance, legal & professional fees, rent, rates & taxes, repairs & maintenance, security charges, traveling & conveyance, director sitting fees, training & education expenses, provisions, bad debts. office expense, business promotion expense, transportation charges, participation expenses for fairs, packing expense and selling & distribution expense. Other expenses accounted for 24.64%, 25.02% and 25.35% of our revenue from operations for the Financial Year 2022, Financial Year 2021 and Financial Year 2020, respectively.

Financial Year 2022 compared with Financial Year 2021

Total revenue

Our total revenue increased by ₹ 193.53 million, or by 10.81%, from ₹ 1790.03 million in the Financial Year 2021, to ₹ 1983.57 million in the Financial Year 2022. This was primarily due to an increase in our revenue from operations of primary product, and aided by increase in other income as well. There is a marginal increase in sales volume, and thus the growth was regular in nature.

Revenue from Operations

Our revenue from operations increased by ₹ 149.42 million or by 8.52% from ₹ 1753.71 million in Financial Year 2021 to ₹ 1903.13 million in Financial Year 2022. This increase was primarily driven by volume increase and also better realizations on engineered quartz products.

Other Income

Our other income increased by ₹ 44.11 million or by 121.41%% from ₹ 36.33 million in Financial Year 2021 to ₹ 80.44 million in Financial Year 2022. This increase was driven by increase in gain on disposal of property, plant & equipment which is ₹ 20.86 million for the financial year 2022 as compared to ₹ 0.29 million in the financial year 2021 and foreign exchange gain which is ₹ 43.35 million for the financial year 2022 as compared to ₹ 26.08 Million for the financial year 2021.

Total Expenditure

Total expenses increased by ₹ 177.77 million or by 12.30% from ₹ 1444.74 million in Financial Year 2021 to ₹ 1622.51 million in Financial Year 2022. This increase was primarily driven by ₹ 192.64 million or by 24.28% increase in cost of materials consumed and ₹ 26.61 million or by 21.69% increase in employee benefit expenses.

Cost of Goods Sold

Cost of Goods Sold increased by ₹ 174.17 million or by 13.33% from ₹ 1,306.52 million in Financial Year 2021 to ₹ 1,480.69 million in Financial Year 2022 on account of higher cost of material consumed due to higher production resulting from an increase in volume of sales. Cost of Goods Sold as a percentage of total revenue increased from 72.99% in Financial Year 2021 to 74.65% in Financial Year 2022.

Particulars	FY 2022 (₹ in million)	FY 2021 (₹ in million)
Cost of Goods Sold:		
Cost of materials consumed	986.17	793.53
Purchase of stock in trade	-	-
Changes in finished goods and stock-in-trade	(119.32)	(74.45)
Employee benefit expenses	149.30	122.69
Depreciation and amortization expenses	107.79	130.13
Finance costs	29.63	34.10
Other Direct & admin Exp	327.12	300.53
Total Cost of Goods Sold	**1480.69**	**1306.53**

Employee benefits expense

Employee benefits expense increased by ₹ 26.61 million or by 21.69% from ₹ 122.69 million in Financial Year 2021 to ₹ 149.30 million in Financial Year 2022. This was primarily due to a general increase in the salaries and wages, including bonus paid to our employees. Employee benefit expenses contributed 6.85% of the total revenues for the Financial Year 2021 vis-à-vis 7.53% of the total revenues for the Financial Year 2022.

Finance costs

Finance costs decreased by ₹ 4.47 million or by 13.11% from ₹ 34.10 million in Financial Year 2021 to ₹ 29.63 million in Financial Year 2022. As a percentage of total revenue, Finance costs contributed 1.90% of the total revenues for the Financial Year 2021 vis-à-vis 1.49% of the total revenues for the Financial Year 2022.

Depreciation and amortization expense

Our depreciation and amortization expense decreased by ₹ 22.35 million or 17.18%, from ₹ 130.13 million in Financial Year 2021 to ₹ 107.78 million in Financial Year 2022. The decrease in depreciation was primarily due to application of depreciation on written down value of asset.

Other expenses

Other expenses increased by ₹ 30.20 million or by 6.88% from ₹ 438.74 million in Financial Year 2021 to ₹ 468.94 million in Financial Year 2022. This was primarily due an increase of (i) ₹14.77 million in Transportation charges amongst other expenses ii) ₹ 10.92 million in business promotion expense (iii) ₹ 10.24 million in repairs & maintenance and (iv) ₹ 9.89 million in Legal and professional fees (v) ₹ 15.13 million in other direct exp like labour charges & cargo clearing exp.

Profit before tax

In light of the above discussions, our profit before tax increased by ₹ 15.76 million or by 4.56% from ₹ 345.30 million in Financial Year 2021 to ₹ 361.06 million in Financial Year 2022.

Tax expense

Our total tax expense decreased by ₹ 1.25 million or by 20.90% from ₹ 5.98 million in Financial Year 2021 to ₹ 4.73 million in Financial Year 2022. This was largely driven by an addition in deferred tax (credit) of ₹ 4.98 million in Financial Year 2022.

Profit

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit by ₹ 17.02 million or by 5.02% from ₹ 339.32 million in Financial Year 2021 to ₹ 356.34 million in Financial Year 2022. Profit after tax as a percentage of total revenue stood at 17.96% for Financial Year 2022 versus 18.96% for Financial Year 2021.

Financial Year 2021 compared with Financial Year 2020

Total revenue

Our total revenue increased by ₹ 132.24 million, or by 7.98%, from ₹ 1657.80 million in the Financial Year 2020, to ₹ 1790.04 million in the Financial Year 2021. This was primarily due to an increase in our revenue from operations of primary product, and aided by increase in other income as well. There is an increase in sales volume, also increase in sales realizations due to increased exports.

Revenue from Operations

Our revenue from operations increased by ₹ 120.80 million or by 7.40% from ₹ 1632.91 million in Financial Year 2020 to ₹ 1753.71 million in Financial Year 2021. This increase was primarily driven by volume increase and also better realizations on engineered quartz products.

Other Income

Our other income increased by ₹ 11.44 million or by 45.96% from ₹ 24.89 million in the Financial Year 2020 to ₹ 36.33 million in Financial Year 2021. The increase was mainly due to an increase in net gain on foreign currency transactions by ₹ 11.82 million as compared to the Financial Year 2020.

Total Expenditure

Total expenses marginally decreased by ₹ 5.85 million or by 0.40% from ₹ 1450.59 million in Financial Year 2020 to ₹ 1444.74 million in Financial Year 2021. This decrease was primarily driven by ₹ 38.48 million or by 22.82% decrease in depreciation and amortization expense and ₹ 18.13 or by 34.71% decrease in finance cost expenses.

Cost of Goods Sold

Cost of Goods Sold decreased marginally by ₹ 7.82 million or by 0.59% from ₹ 1314.34 million in Financial Year 2020 to ₹ 1306.52 million in Financial Year 2021. The decrease was mainly on account of lower cost of finance cost due to repayment of borrowings resulting from an increase in internal accruals. However, Cost of Goods Sold as a percentage of total revenue declined from 79.28% in Financial Year 2020 to 72.99% in Financial Year 2021. This decline was mainly due to lower cost of depreciation & amortization expenses and finance costs.

Particulars	FY 2021 (₹ in million)	FY 2020 (₹ in million)
Cost of Goods Sold:		
Cost of materials consumed	793.53	713.92
Purchase of stock in trade	-	1.81
Changes in finished goods and stock-in-trade	(74.45)	(3.69)
Employee benefit expenses	122.69	103.79
Depreciation and amortization expense	130.13	168.61
Finance costs	34.10	52.23
Other expenses	300.53	277.67
Total Cost of Goods Sold	**1306.53**	**1314.34**

Employee benefits expense

Employee benefits expense increased by ₹ 18.90 million or by 18.21% from ₹ 103.79 million in Financial Year 2020 to ₹ 122.69 million in Financial Year 2021. This was primarily due to a general increase in the salaries and wages, including bonus paid to our employees, which resulted from an increase in the number of employees due to general growth in our manpower requirements for business operations. Employee benefit expenses contributed 6.26% of the total revenues for the Financial Year 2020 vis-à-vis 6.85% of the total revenues for the Financial Year 2021.

Finance costs

Finance costs decreased by ₹ 18.13 million or by 34.71% from ₹ 52.23 million in Financial Year 2020 to ₹ 34.10 million in Financial Year 2021. This decrease in finance costs was primarily on account of repayment of loans and also securing lowered interest rates from our lenders in Financial Year 2021. As a percentage of total revenue, Finance costs contributed 3.15% of the total revenues for the Financial Year 2020 vis-à-vis 1.90% of the total revenues for the Financial Year 2021.

Depreciation and amortization expense

Our depreciation and amortization expense decreased by ₹ 38.48 million, or 22.82%, from ₹ 168.61 million in Financial Year 2020 to ₹ 130.13 million in Financial Year 2021. The decrease in depreciation was primarily due to higher depreciation in Financial Year 2020 as compared to Financial Year 2021 because revision in life of assets during Financial Year 2020.

Other expenses

Other expenses increased by ₹ 24.82 million or by 6.00% from ₹ 413.92 million in Financial Year 2020 to ₹ 438.74 million in Financial Year 2021. This was primarily due to an increase of (i) ₹ 23.06 million in Consumables & Stores Consumed (ii) ₹ 4.23 million in legal & professional fee expenses (iii) ₹ 5.01 million in transportation charges (iv) 5.64 million in packing expenses.

Profit before tax

In light of the above discussions, our profit before tax increased by ₹ 138.09 million or by 66.65% from ₹ 207.21 million in Financial Year 2020 to ₹ 345.30 million in Financial Year 2021.

Tax expense

Our total tax expense increased by ₹ 8.41 million from ₹ -2.43 million in Financial Year 2020 to ₹ 5.98 million in Financial Year 2021. This was largely driven by an increase in current tax by ₹ 24.17 million and deferred tax (credit) by ₹ 15.76 million in the Financial Year 2021.

Profit

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit by ₹ 129.68 million or by 61.86% from ₹ 209.64 million in Financial Year 2020 to ₹ 339.32 million in Financial Year 2021. Profit after tax as a percentage of total revenue stood at 18.96% for Financial Year 2021 versus 12.65% for Financial Year 2020.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS for the Financial Year 2022, Financial Year 2021 and Financial Year 2020:

(All amounts in ₹million)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021	As at 31st Mar 2020
Net cash (used in)/ generated from operating activities	281.90	321.44	536.88
Net cash (used in)/ generated from investing activities	(281.37)	(79.63)	(105.23)
Net cash (used in)/ generated from financing activities	(34.63)	(193.14)	(456.81)
Net increase/ (decrease) in cash and cash equivalents	(34.10)	48.67	(25.16)
Cash and Cash Equivalents at the beginning of the period	54.44	5.77	30.93
Cash and Cash Equivalents at the end of the period	20.34	54.44	5.77

Net cash generated from operating activities

Net cash generated from operating activities in the Financial Year 2022 was ₹ 281.90 million and our profit before tax that period was ₹ 361.06 million. The difference was primarily attributable to Depreciation of ₹ 107.79 million, Finance costs of ₹ 29.63 million, Unrealized gain on disposal of assets of ₹ 20.86 million and thereafter change in inventories, trade receivables, trade payables and other assets & liabilities of ₹ (122.65) million, ₹ 6.23 million, 22.64 million and (15.36) million respectively, resulting in gross cash generated from operations at ₹ 363.77 million. We have income tax paid of ₹ 81.87 million.

Net cash generated from operating activities in the Financial Year 2021 was ₹ 321.44 million and our profit before tax that period was ₹ 345.30 million. The difference was primarily attributable to Depreciation of ₹ 130.13 million, Finance costs of ₹ 34.10 million, unrealized gain of ₹ 13.22 million and thereafter change in inventories, trade receivables, trade payables and other assets & liabilities of ₹ (110.31) million, ₹ (115.61) million, ₹ 86.59 million and ₹ 3.45 million respectively, resulting in gross cash generated from operations at ₹ 362.71 million. We have an income tax paid of ₹ 41.27 million.

Net cash generated from operating activities in the Financial Year 2020 was ₹ 536.88 million and our profit before tax that period was ₹ 207.21 million. The difference was primarily attributable to Depreciation of ₹ 168.61 million, Finance costs of ₹ 52.23 million, unrealized loss of ₹ 16.62 million and thereafter change in inventories, trade receivables, trade payables and other assets & liabilities of ₹ 30.80 million, ₹ 180.24 million, (76.55) million and (10.48) million respectively, resulting in gross cash generated from operations at ₹ 573.38 million. We have an income tax paid of ₹ 36.50 million.

Net cash used in investing activities

In the Financial Year 2022, our net cash used in investing activities was ₹ 281.37 million, which was primarily for purchase of plant and machinery of ₹ 121.07 million. We also received Bank deposits matured/(placed) (having original maturity of more than 3 months) of ₹ 4.78 million and interest income of ₹ 5.58 million during the said year.

In the Financial Year 2021, our net cash used in investing activities was ₹ 79.63 million, which was primarily for purchase of plant and machinery of ₹ 77.97 million. We also received interest income of ₹ 2.02 million during the said year.

In the Financial Year 2020, our net cash used in investing activities was ₹ 105.23 million, which was primarily for purchase of plant and machinery of ₹ 101.62 million. Our Company also received inflows from Bank deposits matured/(placed) (having original maturity of more than 3 months) of ₹ 7.93 million and interest income of ₹ 1.13 million.

Net cash generated from/ used in financing activities

In the Financial Year 2022, our net cash used in financing activities was ₹ 34.63 million. This was primarily due to repayment of ₹ 3.85 million as long-term borrowing (net), payment of ₹ 1.26 million as share issue expense. There were also payments towards loans and finance costs of ₹ 29.52 million.

In the Financial Year 2021, our net cash used in financing activities was ₹ 193.14 million. This was primarily due to repayment of ₹ 154.55 million as long-term borrowing (net). There were also payments towards loans and finance costs of ₹ 38.59 million.

In the Financial Year 2020, our net cash used in financing activities was ₹ 456.81 million. This was primarily due to repayment of ₹ 406.23 million as long-term borrowing (net). There were also payments towards loans and finance costs of ₹ 50.58 million.

LIQUIDITY AND CAPITAL RESOURCES

We fund our operations primarily with cash flow from operating activities and borrowings / credit facilities from banks. Our primary use of funds has been to pay for our working capital requirements and capital expenditures and for expansion of our manufacturing facilities. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions. In case our cash flows from operating activities do not generate sufficient cash flows, we may rely on other debt or equity financing activities, subject to market conditions.

Our Company had consolidated cash and cash equivalents of ₹ 20.34 million as of March 31, 2022, ₹ 54.44 million as of March 31, 2021 and ₹ 5.77 million as of March 31, 2020.

We had long term borrowings of ₹ 107.93 million and Short-term borrowing of ₹ 264.89 million as of March 31, 2022.

The following table sets forth certain information relating to our outstanding indebtedness as of April 30, 2022 on a consolidated basis:

Category of borrowing	Sanctioned amount as at April 30, 2022*	Outstanding amount as at April 30, 2022*
Secured Loans		
Fund based facilities		
Term loans - Punjab National Bank	172.90	106.04
Vehicle Loan	10.29	10.29
Working Capital Limits		
- Cash Credit - Punjab National Bank	18.00	2.97
- EPC (Punjab National Bank)	538.00	229.73
Non Fund based facilities - Forward Contract (Sanction limit considered as credit equivalent @ 2% of the limit of INR 500 Million) - Letter of Credit - Bank Guarantee	10.00 80.00 20.00	5.20# 4.18 20.00
Total	**831.19**	**360.41**

#INR 5.2 Million is considered @ 2% of the Forward Contract limit used amounting to INR 260.14 Million

For further and detailed information on our indebtedness, see "Risk Factor No. 9 - *We have incurred borrowings from commercial banks and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition*." on page 37 and "Financial Indebtedness" on page 306.

Selected Balance Sheet Items

Total Asset

Our total assets increased by 48.73% to Rs. 2364.82 million for the year ended March 31, 2022 from Rs. 1589.97 million for year ended March 31,2021. The increase is primarily on account of increase in right to use assets from Rs. 94.57 Million for the year ended March 31, 2021 to Rs. 496.48 Million for the year ended March 31, 2022, and increase in Inventories from Rs. 346.49 Million for the year ended March 31,2021 to Rs. 469.14 Million for the year ended March 31, 2022 due to increased production form during this period and Investments from Zero for the year ended March 31, 2021 to Rs. 106.63 Million for the year ended March 31, 2022 and increase in loans and advances from Rs. 22.31 million for the year ended March 31, 2021 to Rs. 112.24 million which were increased as there is an increase in loan to relatives and other loans.

For the Financial year 2021 it increased by 23.51% to Rs. 1589.97 Million from Rs. 1287.29 Million in the FY 2020, The increase is primarily on account of increase in inventories from Rs. 236.18 Million in FY 2020 to Rs 346.49 Million in the FY 2021, this increase of inventory due to increased production form during this period, Trade receivables from Rs. 280.68 Million in FY 2020 to Rs. 398.01 Million in the FY 2021, increase in cash & cash equivalent from Rs. 5.77 million in FY 2020 to Rs. 54.44 million in FY 2021 and other current assets from Rs. 53.75 Million in FY 2020 to Rs. 64.11 Million in the FY 2021.

Total equity (Net worth)

Our total equity increased by 36.17% to Rs. 1340.34 Million for the financial year 2022 from Rs. 984.34 Million for the financial year 2020. The increase is primarily on account of issue of new equity shares &

profits after tax for the financial year 2022 which is Rs. 356.34 Million. For the FY 2021 it increased by 52.65% to Rs. 984.34 Million from Rs. 644.84 Million in the FY 2020, increase was on account of profit after tax of Rs. 339.32 Million in the FY 2021.

Total Current Assets

Our total current assets increased by 32.53% to Rs. 1161.98 Million for the year ended March 31, 2022 from Rs. 876.77 Million for the year ended March 31, 2021. The increase is primarily on account of increase in Inventories from Rs. 346.49 million for the year ended March 31,2021 to Rs. 469.14 Million for the year ended March 31, 2022 due to increased production form during this period and Investments from Zero for the year ended March 31,2021 to Rs. 106.63 Million for the year ended March 31, 2022 and increase in loans and advances from Rs. 1.44 million for the year ended March 31, 2021 to Rs. 92.31 million which were increased as there is an increase in loan to relatives and other loans.

Our total current assets increased by 48.71% to Rs. 876.77 Million for the financial year 2021 from Rs. 589.60 Million for the financial year 2020. The increase is primarily on account of increase in inventories from Rs. 236.18 Million in FY 2020 to Rs 346.49 Million in the FY 2021, this increase of inventory is due to increased production form during this period, Trade receivables from Rs. 280.68 Million in FY 2020 to Rs. 398.01 Million in the FY 2021, increase in cash & cash equivalent from Rs. 5.77 million in FY 2020 to Rs. 54.44 million in FY 2021 and other current assets from Rs. 53.75 Million in FY 2020 to Rs. 64.11 Million in the FY 2021.

Total Non-Current Assets

Our total non-current assets increased by 68.65% to Rs. 1202.84 Million for the year ended March 31, 2022 from Rs. 713.20 Million for the year ended March 31,2021. The increase is primarily on account of increase in right to use assets from Rs. 94.57 Million for the year ended March 31, 2021 to Rs. 496.48 Million for the year ended March 31, 2022 due to acquisition of new rights and increase in deferred tax assets from Rs. 120.97 Million for the year ended March 31,2021 to Rs.180.35 Million for the year ended March 31, 2022.

Our total non-current assets increased marginally by 2.22% to Rs. 713.20 Million for the year ended March 31, 2021 from Rs. 697.69 Million for the year ended March 31,2020. The increase is primarily on account of increase in Deferred tax asset from Rs. 65.97 Million for the year ended March 31, 2020 to Rs. 120.97 Million for the year ended March 31, 2021.

Total Current Liabilities

Our total current liabilities declined by 7.12% to Rs. 491.21 million for the year ended March 31, 2022 from Rs. 528.86 Million for the year ended March 31, 2021. The decline is primarily on account of decline in current borrowings from Rs. 310.02 million for the year ended March 31, 2021 to Rs. 264.89 Million for the year ended March 31, 2022 primarily on account of repayment of post shipment borrowings.

For the financial year 2021, our total current liabilities increased by 5.80% to Rs. 528.86 million for the financial year 2021 from Rs. 499.86 Million for the financial year 2020. The increase is primarily on account of increase in dues to trade payables other than MSME from Rs. 70.77 million in FY 2020 to Rs. 157.60 million in FY 2021.

CONTINGENT LIABILITIES

As of March 31, 2022, the estimated amount of contingent liabilities are as follows:

Particulars	Amount (Rs. in Million)
Income tax demand for which company has preferred appeal	49.85

GST related matter	1.25
Claims against the Group not acknowledged as Debt	0.45
Total	**51.55**

For further information on our contingent liabilities and commitments, see *"Financial Statements"* on page 232.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration, loans & advances given and taken and Issue of Equity Shares.

Sr. No.	Type of Related Party Transactions	2019-20		2020-21		2021-22	
		Rs. in Million	% of Revenue from Operations	Rs. in Million	% of Revenue from Operations	Rs. in Million	% of Revenue from Operations
1.	Business Transactions (Sales, purchase and rental income	9.19	0.56	3.27	0.19	24.82	1.30
2.	Financial transactions (loan given and recovered and interest received)	17.29	1.06	38.42	2.19	4.44	0.23
3.	Remuneration & Bonus Paid	19.71	1.21	30.18	1.72	35.95	1.89
4.	Professional & Management fees	-	-	1.57	0.09	1.38	0.07
	Total	**46.19**	**2.83**	**73.44**	**4.19**	**66.59**	**3.49**

Reservations, Qualifications and Adverse Remarks by the statutory auditors

There are no reservations, qualifications and adverse remarks by our Statutory Auditors since incorporation.

Details of Default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution

There have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company for the financial year 2022, Financial Year 2021 and Financial Year 2020.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, since incorporation.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: foreign currency risk, interest risk and other price risk such as commodity risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Group does not enter into financial instrument transactions for trading or speculative purposes.

The Group transacts business primarily in USD, Indian Rupees, AED and Euro. The Group has foreign currency trade payables, borrowings and trade receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies i.e for some trade receivables the Group takes pre and post shipment credit facilities which are denominated in the same foreign currency. The Group also uses forward exchange contracts to mitigate the foreign exchange risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Foreign Currency	(Rs. In million)	Foreign Currency	(Rs. In million)	Foreign Currency	(Rs. In million)
I. Assets						
Trade and other receivables						
USD	5.21	394.63	5.34	392.63	3.74	279.08
AED	0.67	13.97	-	-	-	-
Total Trade and other receivables	**5.88**	**408.60**	**5.34**	**392.63**	**3.74**	**279.08**
Cash and cash equivalent						
USD	0.02	1.60	0.01	0.78	0.03	2.00
AED	0.70	14.53	-	-	-	-
Total Cash and cash equivalent	**0.72**	**16.13**	**0.01**	**0.78**	**0.03**	**2.00**
Total assets	**6.60**	**424.73**	**5.35**	**393.41**	**3.77**	**281.08**
Unhedged Assets	**6.60**	**424.73**	**5.35**	**393.41**	**3.77**	**281.08**
II. Liabilities						
Borrowings:						
USD	2.41	182.46	2.83	208.20	6.39	486.85
Trade and others payable						
USD	0.01	0.48	0.01	1.01	0.04	2.91
EURO	0.07	5.80	0.11	9.20	0.09	7.99
Total Liabilities	**2.49**	**188.74**	**2.95**	**218.41**	**6.52**	**497.75**
Unhedged Liabilities (B)	**2.49**	**188.74**	**2.95**	**218.41**	**6.52**	**497.75**
Net Exposure (A-B)	**4.11**	**235.99**	**2.40**	**175.00**	**(2.75)**	**(216.67)**

Interest risk

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debts and packing credit facilities having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cash flows which are regularly reviewed by the Board. However, the risk is very low.

The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Liquidity risk

"Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date:"

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Company establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables and advances.

Our customer base majorly has creditworthy counterparties which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition.

General

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. ***Unusual or infrequent events or transactions***

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

2. ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Apart from the risks as disclosed under Section *"Risk Factors"* beginning on page 31, there are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section *"Risk Factors"* beginning on page 31, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. ***Future changes in relationship between costs and revenues***

Our Company's future costs and revenues will be determined by demand/supply situation, both of the end products as well as the raw materials, government policies and budget constraints of our customer(s).

5. ***Increases in net sales or revenue and Introduction of new products or services or increased sales prices***

Increases in revenues are by and large linked to increases in volume of business and also dependent on the price realization on our products.

6. ***Status of any publicly announced New Products or Business Segment***

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

7. ***Total Turnover of Each Major Industry Segment in Which the Issuer Operates***

Our business is primarily into manufacturing of Engineered Quartz and Natural stones viz. Granite Slab, Marble Slab and Quartzite Slab and is a single reportable segment. Details of the industry turnover and other relevant information is disclosed in the section *"Industry Overview"* beginning on page 132.

8. ***Seasonality of business***

Our Company's business is not seasonal in nature.

9. ***Any Major Dependence on a single or few suppliers or customers***

The % of contribution of our Company's customer vis-à-vis the total revenue from operations respectively as on Fiscal 2020, 2021 and 2022 is as follows:

Particulars	Top Customers as a percentage (%) of revenues		
	Fiscal 2022	Fiscal 2021	Fiscal 2020
Top 5	73.10%	78.22%	73.89%
Top 10	82.25%	85.63%	83.30%

The % of contribution of our Company's supplier vis-à-vis the total revenue from operations respectively as on Fiscal 2020, 2021 and 2022 is as follows:

Particulars	Top Suppliers as a percentage (%) of revenues		
	Fiscal 2022	Fiscal 2021	Fiscal 2020
Top 5	29.90%	21.34%	20.62%
Top 10	38.52%	30.66%	27.02%

10. ***Competitive conditions:***

Competitive conditions are as described under the chapters *"Industry Overview"* and *"Our Business"* beginning on pages 132 and 168 respectively.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business, primarily for the purposes of meeting our working capital requirements.

Set forth below is a brief summary of our aggregate borrowings on a consolidated basis as on April 30, 2022:

(₹ in Million)

Category of Borrowings	Sanctioned amount as at April 30, 2022*	Outstanding amount as at April 30, 2022*
Secured Loans		
Fund based facilities		
Term loans - Punjab National Bank	172.90	106.04
Vehicle Loan	10.29	10.29
Working Capital Limits		
- *Cash Credit* - Punjab National Bank	18.00	2.97
- *EPC* (Punjab National Bank)	538.00	229.73
Non Fund based facilities - *Forward Contract (Sanction limit considered as credit equivalent @ 2% of the limit of INR 500 Million)* - *Letter of Credit* - *BG*	10.00 80.00 2.00	5.20** 4.18 2.00
Total	***831.19***	***360.41***

** As certified by the Auditor of the Company pursuant to their certificate dated June 17, 2022*

*** INR 5.2 Million is considered @ 2% of the Forward Contract limit used amounting to INR 260.14 Million*

[#] As per the rate of exchange for as on April 30, 2022 for USD and EURO is ₹ 76.42/$ and ₹80.58/€ respectively

There have been no defaults in repayment of borrowings with any financial institutions/ banks as on the date of this Draft Red Herring Prospectus. We have taken necessary approvals from the concerned lenders for the proposed Offer.

For further information, please see *Risk Factor - "Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and– results of operations"* and *Risk Factor No. 9- "We have incurred borrowings from commercial banks and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition"* on pages 34 and 37 respectively of this Draft Red Herring Prospectus.

Principal terms of the borrowings availed by us:

A summary of the principal terms of our borrowings are as set out below. The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us:

1. ***Tenor:*** The capital facilities have a tenor ranging from 180 days to upto 10 years.

2. ***Interest:*** The interest rate applicable to our borrowing facilities is typically tied to the lender's lending rate prevailing at the time, as applicable and which may vary for each facility.

3. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:
    a. create a pari passu charge by way of hypothecation on entire current assets, present and future, of the Company;

b. charge/ mortgage on immovable properties of the Company;
c. personal guarantee by our Promoter and Promoter Group Members namely, Mr. Mayank Shah, Ms. Sweta Shah and M/s. Mayank Shah HUF.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Events of default:*** The terms of our borrowings contain certain standard events of default which may attract penal charges, including:

a. overdue interest/ installment in respect of term loans and over-drawings above the drawing power/ limit in fund based working capital accounts on account of interest/ devolvement of letters of credit/ bank guarantee, insufficient stocks and receivables etc.;

b. delay in submission of stock statements after 10^{th} of the following month;

c. non submission of audited balance sheet/ follow up/ review data within due dates;

d. failure to obtain credit rating from an external credit rating agency;

e. breach of financial coveants.

5. ***Consequences of event of default:*** Upon the occurrence of an event of default the lender may levy penal/ interest charges over and above the normal interest applicable in the account.

6. Negative Covenants: The borrowing arrangements entered into by us restrict us from carrying out certain actions, including:

a. formulate any scheme of amalgamation or reconstruction;

b. any change in the capital structure of the Company resulting in dilution of the promoter's shareholding below their current level or 51% of the controlling stake, without the prior permission of the Bank;

c. undertake any new project, implement and scheme of expansion/ diversification or capital expenditure or acquire fixed assets if such investment results into breach of financial covenants or diversion of working capital funds to financing of long-term assets;

d. invest, lend or advance funds to any other concern;

e. enter into any borrowing or financing arrangements with any other bank or financial institution or accept deposits which increases indebtedness beyond stipulated limits;

f. issue any corporate guarantee on behalf of any company;

g. create charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons;

h. sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the bank;

i. enter into any long term contractual obligation which may be detrimental to lender's interest;

j. payment of commission to the guarantors for guaranteeing the credit facilities sanctioned by the Bank.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there is no (i) outstanding criminal proceeding; (ii) outstanding action taken by regulatory or statutory authorities; (iii) outstanding claims related to direct and indirect taxes, in a consolidated manner; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Directors, our Promoter and our Subsidiaries ("**Relevant Parties**"). Further, except as stated in this section, there are no outstanding litigation involving our Group Companies, the outcome of which would have a material impact on our Company.*

In relation to (iv) above, our Board, at its meeting held on March 01, 2022 has determined Material Litigation as:

(i) if the aggregate amount involved in such individual litigation, to the extent quantifiable, exceeds 5% of the consolidated profit after tax of the Company, as per the Restated Financial Statements for Financial Year 2021-22; or

(ii) tax proceedings which individually involve an amount greater than the materiality threshold as defined in (i) above, to be disclosed individually;

(iii) where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but where an adverse outcome in any litigation would materially and adversely affect our Company's business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation.

5% of the consolidated profit after tax of the Company, as per the Restated Financial Statements for Financial Year 2021-2022 is INR 17.82 Million which is the materiality threshold for disclosure of Material Litigation.

It is clarified that for the purposes of above, pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Subsidiaries or our Directors shall not be considered as litigation until such time that any of our Company, our Subsidiaries or our Directors, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, our Board, at its meeting held on March 01, 2022 has determined 'Material Dues' as outstanding dues to creditors (excluding banks and financial institutions from whom the Company has availed of financial facilities) if the amount due to any one of them ('Material Creditor') exceeds 5% of the consolidated trade payables of the Company as per Restated Financial Statements for Financial Year 2021-2022. 5% of the consolidated trade payables of our Company, as per the Restated Financial Statements for Financial Year 2021-2022 is INR 9.38 million and accordingly, any outstanding dues exceeding INR 9.38 million have been considered as material outstanding dues for the purposes of disclosure in this section. Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our website at www.globalsurfaces.in. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors,* *Except as disclosed herein, our Company, its Directors and Promoter are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them*

All terms defined in a particular litigation disclosure pertain to that litigation only.

I. Litigation involving our Company

A. Litigation filed against our Company

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities
NIL

3. Material Civil proceedings
NIL

B. Litigation filed by our Company

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities
NIL

3. Material Civil proceedings
NIL

II. Litigation involving the Directors (*other than our Promoter*)

A. Litigation filed against our Directors

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities
NIL

3. Material Civil proceedings
NIL

B. Litigation filed by our Directors

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities

NIL

3. Material Civil proceedings
NIL

III. <u>Litigation involving our Promoter</u>

A. Litigation filed against our Promoter

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities
NIL

3. Material Civil proceedings
NIL

4. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoter in the last five financial years immediately preceding the date of filing of this Draft Red Herring Prospectus

There are no disciplinary action including penalty imposed by SEBI or stock exchange against our Promoter in the last five financial years immediately preceding the date of the filling of this Draft Red Herring Prospectus.

B. Litigation filed by our Promoter

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities
NIL

3. Material Civil proceedings
NIL

IV. <u>Litigation involving our Subsidiaries</u>

A. Litigation filed against our Subsidiaries

1. Criminal proceedings
NIL

2. Outstanding actions by regulatory and statutory authorities
NIL

3. **Material Civil proceedings**

   NIL

B. Litigation filed by our Subsidiaries

1. **Criminal proceedings**

   NIL

2. **Outstanding actions by regulatory and statutory authorities**

   NIL

3. **Material Civil proceedings**

   NIL

V. As on the date of this Draft Red Herring Prospectus, there is no litigation involving our Group Companies which may have a material impact on our Company.

VI. Tax claims

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company, Directors and Promoter:

Nature of Proceedings	Number of Cases	Amount involved (INR in Millions)
Company		
Direct tax	11*	49.31
Indirect tax	19	9.57
Directors		
Direct tax	8	0.41
Indirect tax	-	-
Promoter		
Direct tax	7*	37.74
Indirect tax	-	-

Pursuant to the aforesaid proceedings, the Assessing Officer, Income Tax has pursuant to the assessment orders passed u/s. 153A read with section 143(3) of the IT Act directed that penalty proceedings u/s. 271(1)(c)/ u/s. 271AAC of the IT Act be initiated against our Company and our Promoter for concealing/ furnishing inaccurate particulars of income for the relevant A.Y.s against which our Company and our Promoter have preferred appeals before the competent authority. Save and except as disclosed hereinabove, there has been no further development in the matters.

Material Tax Matters

Direct Tax Matter Involving our Company, our Promoter and our Director

On December 29, 2020, a search and seizure under Section 132 of the IT Act was conducted by the Deputy Director of Income Tax (Inv.), Kolkata at our Unit & I & II premises and also at the personal residence of our Promoter, Mr. Mayank Shah and our Executive Director, Mrs. Sweta Shah. Subsequently, notices under Section 153A of the IT Act were issued to our Company, Mr. Mayank Shah and Mrs. Sweta Shah requiring them to prepare their respective true and correct return of income for the Assessment Years 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21. Accordingly, returns of income have been filed by our Company, our Promoter and Mrs. Sweta Shah for the Assessment Years 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2020-2021 and 2021-2022.

In and around March – April 2022, separate Assessment Orders have been passed by the Income Tax Dept. passed u/s. 153A read with section 143(3) against our Company, our Promoter and Mrs. Sweta Shah in respect of AYs 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2020-2021 and 2021-2022. Under the aforesaid Assessment Orders, certain additions have been made to our Company's income and consequently, demand notices have been issued to our Company. The aggregate financial implication involved in the said matters is INR 47.62 million. Additionally, penalty proceedings u/s. 271AAC of the IT Act have also been initiated separately against our Company. Our Company has filed nine appeals u/s. 246A of the IT Act before the CIT (Appeals) challenging the aforesaid additions to income, claim of tax demanded and initiation of penalty proceedings in respect of the aforesaid Assessment Years. Similarly, certain additions have been made to our Promoter's income for the relevant Assessment Years and consequently, an aggregate sum of INR 37.74 million has been demanded from our Promoter and additionally, penalty proceedings u/s. 271(1)(c)/ u/s. 271AAC of the IT Act have also been initiated separately against him. Our Promoter has filed six appeals u/s. 246A of the IT Act before the CIT (Appeals) challenging the aforesaid additions to income, claim of tax demanded and initiation of penalty proceedings in respect of the aforesaid Assessment Years. As regards the Assessment Orders passed in respect of Mrs. Sweta Shah's return of income, no additions to her income have been made and no tax amount has been demanded from her.

OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, details of outstanding dues (trade payables) owed to MSME (as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2022, are set out below:

Particulars	Number of Creditors*	Amount Outstanding (Rs. In Millions)
Material Creditors	03	94.68
Micro, Small and Medium Enterprises	09	1.46
Other creditors	179	91.35
Total	**191**	**187.49**

** Including provisions and unbilled dues considered as one creditor*

The details pertaining to material dues to creditors as per the Restated Financial Statements for the most recent financial year is available on the website of our Company www.globalsurfaces.in.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, our Promoter nor our Directors have received any notice wilful default nor any of them are or have been classified as a wilful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

MATERIAL DEVELOPMENTS

Except as disclosed in the chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on page 289 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial information as disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company is in receipt of the necessary consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies required to undertake this Offer and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as on the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

I. Incorporation details of our Company and Material Subsidiary

1. Certificate of incorporation dated August 23, 1991, issued by the RoC, West Bengal at Calcutta to our Company, under the name 'Swastic Niwas Private Limited'.
2. Fresh certificate of incorporation dated May 27, 2004, issued by the RoC, West Bengal at Calcutta consequent upon change in our name from 'Swastic Niwas Private Limited' to 'Global Stones Private Limited'.
3. Fresh certificate of incorporation dated March 5, 2021 by RoC, Rajasthan at Jaipur pursuant to the shifting of registered office from West Bengal to Rajasthan.
4. Fresh certificate of incorporation dated October 20, 2021, issued by the RoC, Rajasthan at Jaipur consequent upon change in our name from 'Global Stones Private Limited' to 'Global Surfaces Private Limited'.
5. Fresh certificate of incorporation dated October 21, 2021, issued by the RoC, Rajasthan at Jaipur to 'Global Surfaces Limited' pursuant to conversion of our Company from private limited to public limited.
6. The CIN of our Company is U14100RJ1991PLC073860.
7. Global Surfaces Inc., our material subsidiary, was incorporated as a stock corporation, under the laws of the State of Delaware, USA pursuant to a certificate dated April 20, 2020, issued by the Secretary of the State of Delaware, USA.

II. Approvals in relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, please see *"Other Regulatory and Statutory Disclosures - Authority for the Offer"* on page 317 of this Draft Red Herring Prospectus.

III. Approvals in relation to operations of our Company and Material Subsidiary

A. Tax Related Approvals

i) **Our Company**

1. The permanent account number of our Company is AAECS5226P.
2. The tax deduction account number of our Company is CALS04780G.
3. The import export code (IEC) of our Company is 0204006341.

4. The GST registration obtained by our Company as per the states where our business operations are conducted are as follows:

State	Registration No.
Rajasthan	08AAECS5226P1ZV
Rajasthan – SEZ	08AAECS5226P2ZU

ii) **Global Surfaces Inc.**

1. The employer identification number is 85-2162167.

B. Labour Related Approvals

i) **Our Company**

1. Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 our Company has been allotted EPF code number RJRAJ0014576000.
2. Under the Employees' State Insurance Act, 1948 our Company has been allotted code number 15000190190000400 and sub code 15150190190010403.
3. Registration as Employer issued by the Department of Labour under the provisions of Contract Labour (Regulation & Abolition) Act, 1970.

ii) **Global Surfaces Inc.**

1. N.A.

C. Business Related Approvals

i) **Our Company – Unit I**

Particulars	Valid Upto
License to Work a Factory dated July 20, 2020 bearing registration number RJ/21244 issued by the Chief Inspector of Factories and Boilers, Rajasthan, Jaipur under the Factories Act, 1948	March 31, 2025
Consent to Operate dated February 22, 2018 bearing number RO-2017-18/Jaipur(S)/6883 issued by the Regional Office, Rajasthan State Pollution Control Board under the Water (Prevention & Control of Pollution) Act 1974 and Air (Prevention & Control of Pollution) Act, 1981	August 31, 2022

ii) **Our Company – Unit II**

Particulars	Valid Upto
Letter of Approval dated May 15, 2018 bearing registration number 10/08/2017-SEZ-5909 issued by the Development Commissioner, Mahindra World City (Jaipur) Ltd – Light Engineering (SEZ) under Rule 19 of the Special Economic Zone Rules, 2006	April 25, 2023
License to Work a Factory dated May 17, 2021 bearing registration number RJ/32173 issued by the Chief Inspector of Factories and Boilers, Rajasthan, Jaipur under the Factories Act, 1948	March 31, 2027
Consent to Establish dated December 29, 2017 bearing number 2017-2018/JAIPUR(S)/6760 issued by the Regional Office, Rajasthan State Pollution Control Board under the Water (Prevention & Control of Pollution) Act 1974 and Air (Prevention & Control of Pollution) Act, 1981	May 31, 2022 or commencement of production: earlier of the two
Consent to Operate dated May 29, 2018 bearing number 2018-19/Jaipur(S)/6948 issued by the Regional Office, Rajasthan State	February 29, 2028

Particulars	Valid Upto
Pollution Control Board under the Water (Prevention & Control of Pollution) Act 1974 and Air (Prevention & Control of Pollution) Act, 1981	

i) **Global Surfaces Inc.**
N.A.

IV. Approvals applied for but not yet received/ Renewals made in the usual course of business *(other than those indicated under IV and V)***:**

1. Consent to Establish under the Water (Prevention & Control of Pollution) Act 1974 and Air (Prevention & Control of Pollution) Act, 1981 for enhanced production capacity at Unit I.
2. Consent to Operate under the Water (Prevention & Control of Pollution) Act 1974 and Air (Prevention & Control of Pollution) Act, 1981 for enhanced production capacity at Unit I.

V. Material licenses/ approvals for which our Company is yet to apply for/ Statutory Approvals/ Licenses required:

1. Filing of Industrial Entrepreneur Memorandum –Part A and Part B with DPIIT.

VI. Approvals obtained in relation to Intellectual property rights

Trademark

Our Company has applied for registration of the following trademark as on the date of this Draft Red Herring Prospectus:

Sr. No.	Trademark	Class of Trademark	Application No.	Date of Application	Status
1.	GLOBALQUARTZ	19	3670435	November 06, 2017	Objected
2.	GSL	35	5314314	February 04, 2022	Objected
3.	GLOBAL SURFACES	35	5314315	February 04, 2022	Objected

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Fresh Issue pursuant to the resolution passed at its meeting held on March 26, 2022. Further, our Shareholders have approved the Fresh Issue pursuant to a special resolution passed on April 25, 2022 under Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on March 26, 2022.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

Sr. No.	Name of the Selling Shareholder	Maximum number of Offered Shares	Date of Selling Shareholder's Consent Letter	Date of Corporate Authorisation/ Board Resolution
1.	Mr. Mayank Shah	1,400,000	March 24, 2022	N.A.
2.	Mrs. Sweta Shah	1,150,000	March 24, 2022	N.A.

Our Company has obtained in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or any other regulatory authorities

We confirm that our Company, our Promoter, Promoter Group, our Directors and the Selling Shareholders have not been prohibited from accessing the capital market for any reason or debarred from buying, selling or dealing in securities, under any order or directions by the SEBI or any other securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Red Herring Prospectus.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our Company, our Promoter or Directors are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors are associated with the securities market and there is no outstanding action against them initiated by the SEBI in the past five years.

Neither our Company nor the Directors and our Promoter/ Promoter Group have been declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 01, 2016.

Further, none of our Promoter or Directors have been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of the Promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

The Selling Shareholders have confirmed that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹ 3 crore, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹ 15 crore, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹ 1 crore in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has changed its name in the last one year. However, the new name does not indicate any change in the business activity of the Company.

The Selling Shareholders have confirmed that they have held their respective portion of the Offered Shares for a period of at least one year prior to the date of this Draft Red Herring Prospectus and that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

Our Company is an "unlisted issuer" in terms of the SEBI ICDR Regulations; and this Offer is an "Initial Public Offer" in terms of the SEBI ICDR Regulations 2018.

We are eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in accordance with Regulation 32(1) of the SEBI ICDR Regulations we are required to allocate not more than 50% of the Net Offer to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall not be less than 1,000.

Further, our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and has ensured compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Also, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

a) Neither our Company nor any of our Directors or the Selling Shareholders are debarred from accessing the capital markets by the SEBI.

b) None of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

c) Neither our Company nor the Promoter and our Directors have been categorized as a wilful defaulter or a fraudulent borrower.

d) None of our Directors have been declared a fugitive economic offender.

Our Company has facilitated trading in demat securities and has entered into agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depositary Services Limited (CDSL) dated December 16, 2021 and National Securities Depository Limited (NSDL) dated November 22, 2021 for establishing connectivity.

DISCLAIMER CLAUSE OF SEBI

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING 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 THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED JUNE 26, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ 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 BRLM ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS."

Disclaimer from our Company our Directors, the Selling Shareholders and the Book Running Lead Manager

Our Company, our Directors, the Selling Shareholders and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in the Draft Red Herring Prospectus or 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.globalsurfaces.in, or the respective websites of the members of the Promoter Group and affiliates, would be doing so at his or her own risk.

The Selling Shareholders, their affiliates and associates accept or undertake no responsibility for any statements other than those specifically undertaken or confirmed by each Selling Shareholder in relation to themselves and their respective portion of the Offered Shares.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement, to be executed between the Underwriters and our Company.

All information shall be made available by our Company, the Selling Shareholders (to the extent that the information pertain to them and their respective portion of the Offered Shares) and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software or hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and its respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders, the Promoter and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter and their respective directors and officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer of Industry Report

This report is prepared by CARE Advisory Research and Training Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research's proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

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CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.

Disclaimer in Respect of Jurisdiction

Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Mumbai only.

Bidders eligible under Indian law to participate in the Offer

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEMA Rules) and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not, however constitute an invitation to subscribe to 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 the Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer is being made only pursuant to the Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Draft Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient was outside India.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any U.S. applicable state securities laws. Accordingly, the Equity Shares may be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and were not offered or sold, and Bids were not made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the ROC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the ROC filing.

Listing

The Equity Shares of our Company are proposed to be listed on BSE and NSE. Applications have been made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus and each Selling Shareholder will be liable to reimburse our Company for such repayment of monies, on their behalf, with respect to their portion of the Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of the Selling Shareholders with regard to interest on such refunds will be reimbursed by such Selling Shareholder in proportion to their respective portion the Offered Shares or in the manner as may be mutually agreed upon between the Selling Shareholders. For the avoidance of doubt, subject to applicable law, a Selling Shareholders shall not be responsible to pay interest for any delay, except to the extent that such delay has been caused by any act or omission solely attributable to such Selling Shareholder and to the extent of his/ her respective portion the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date. Further, the Selling Shareholders confirm that they shall provide reasonable assistance to our Company, and the Book Running Lead Manager, with respect to their respective portion of the Offered Shares, for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date, to the extent of the Offered Shares.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Except for listing fees which shall be solely borne by our Company, all Offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the (i) Equity Shares issued and allotted by our Company in the Fresh Issue and (ii) Equity Shares sold by the Selling Shareholders in the Offer for Sale or in the manner as may be mutually agreed upon between the Selling Shareholders. However, in the event that the Offer is withdrawn by our Company or not completed for any reason whatsoever, all the Offer related expenses will be solely borne by our Company. Upon successful completion of the Offer, any payments by our Company in relation to the Offer expenses on behalf of the Selling Shareholders shall be reimbursed by the Selling Shareholders, in proportion to the Offered Shares, to our Company inclusive of taxes.

Consents

Consents in writing of Selling Shareholders, our Promoter, our Directors, our Company Secretary and Compliance Officer, Legal Advisor to the Offer, the Book Running Lead Manager, Statutory & Peer Review Auditor, the Registrar to the Offer, Banker to the our Company, independent chartered engineer have been obtained; and consents in writing of the Syndicate Members, Underwriter, Share Escrow Agent, Monitoring Agency, Escrow Collection Bank(s), Banker(s) to the Offer/ Public Offer Bank(s)/ Refund Bank(s) and Sponsor Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013. All such consents have not been withdrawn until the date of this Draft Red Herring Prospectus.

Experts to the Offer

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

Our Company has received written consents from the following persons to include their names in this Draft Red Herring Prospectus as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus:

(i) Consent dated June 17, 2022 from our Statutory and the Peer Review Auditor namely, B. Khosla & Company, Chartered Accountants, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated June 17, 2022.

(ii) Consent dated June 21, 2022 from our Statutory and the Peer Review Auditor namely, B. Khosla & Company, Chartered Accountants, in respect of the Statement of Possible Special Tax Benefits dated June 21, 2022 included in this Draft Red Herring Prospectus.

(iii) Consent dated June 23, 2022 from M/s. Haripriya Associates Private Limited, Independent Chartered Engineers in respect of their certificate dated June 2, 2022 on our Company's installed capacity and capacity utilisation at our production Units included in this Draft Red Herring Prospectus.

(iv) Consent dated June 23, 2022 from M/s. Haripriya Associates Private Limited, Independent Chartered Engineers in respect of their certificate dated June 23, 2022 on total estimated cost, government approvals and proposed capacity to be installed for the Proposed Facility included in this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company

Except as disclosed in *"Capital Structure – Notes to the capital structure"* on page 43 of this Draft Red Herring Prospectus, our Company has not made any capital issues during the previous three years.

Particulars regarding public or rights issues during the last five (5) years

Except as stated in the chapter titled "*Capital Structure*" beginning on page 43 of this Draft Red Herring Prospectus, we have not made any previous rights issue during the five (5) years preceding the date of the Draft Red Herring Prospectus. Our Company has not made any public issues during the last five years.

Commission and brokerage on previous issues

Since this is an Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last five (5) years.

Capital issue during the previous three years by listed Group-Companies/ subsidiaries/ associates of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiary or associate Companies. There has not been any capital issue by our listed Group Company during the last three years.

Performance vis-a-vis objects – Public/ rights issue of our Company

Except as stated under chapter titled *"Capital Structure"* beginning on page 85 of the Draft Red Herring Prospectus, our Company has not undertaken any previous rights issue. Further, this Offer is an “Initial Public Offer” in terms of SEBI ICDR Regulations and our Company has not undertaken any previous public issue.

Performance vis-a-vis objects - Last one Public Issue/ Rights Issue of Subsidiaries/ Listed Promoters

Except as disclosed under chapter titled *"Capital Structure"* beginning on page 85 of the Draft Red Herring Prospectus, our Company has not undertaken any rights issue in the five years preceding the date of this Draft Red Herring Prospectus. Our Company has not made any public issues in the five years preceding the date of this Draft Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Price Information and track record of past issued handled by the Book Running Lead Manager

Unistone Capital Private Limited

Sr. No.	Issue Name	Issue Size (in Lakhs)	Issue price	Listing date	Opening price on listing date	+/-% change in closing price,[+/- % change in closing benchmark]- 30th calendar days from listing	+/-% change in closing price,[+/- % change in closing benchmark]- 90th calendar days from listing	+/-% change in closing price,[+/- % change in closing benchmark]- 180th calendar days from listing
1	Likhitha Infrastructure Limited	6120.00	120	October 15, 2020	136.60	16.14%, 10.22%]	41.43%, [23.74%]	170.87%, [24.84%]
2	Siddhika Coatings Limited	469.68	57	April 7, 2021	56.95	0.88%, [0.02%]	21.05%, [7.18%]	62.72%, [20.05%]
3	Bombay Metrics Supply Chain Limited	428.54	93	October 12, 2021	103.20	28.35%, [0.62%]	59.09%, [1.22%]	329.09%, [-2.57%]
4	Sigachi Industries Limited	12,542.85	163	November 15, 2021	603.75	150.80, [-4.90%]	96.26%, [-4.18%]	65.28%, [-12.85%]
5	HP Adhesives Limited	12,596.33	274	December 27, 2021	334.95	42.34%, [0.14%]	38.21%, [0.39%]	-

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website www.unistonecapital.com

Notes:

(a) Source: www.nseindia.com for the price information

(b) Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.

(c) The Nifty 50 index is considered as the benchmark index.

Summary statement of price information of past public issues handled by Unistone Capital Private Limited

Financial Year	Total no. of IPOs*	Total Funds Raised (Rs. In Lakh)	Nos. of IPOs trading at discount- 30th calendar days from listing			Nos. of IPOs trading at premium- 30th calendar days from listing			Nos. of IPOs trading at discount- 180th calendar days from listing			Nos. 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%
FY 2020-21	1	6120.00	-	-		-	-	1	-	-	-	1	-	-
FY 2021-22	4	26037.40	-	-		1	2	1	-	-	-	2	-	1
FY 2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*
*** FY 2021-22 includes listing of equity shares of HP Adhesives Limited on December 27, 2021.*

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website www.unistonecapital.com

Mechanism for Redressal of Investor Grievances

The Agreement between the Registrar to the Offer and our Company provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the Bidding process may be addressed to the Registrar to the Offer with a copy to the Designated Intermediary to whom Bid cum Application Form was submitted, giving full details such as name of the sole or first Bidder, address of the applicant, UPI ID (if applicable), Bidder DP ID, Client ID,UPI ID, PAN, date of submission of Bid cum Application Form, application number, number of Equity Shares applied for, amount paid on application, Depository Participant and the bank branch or collection centre where the application was submitted.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any post- Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Disposal of Investor Grievances by our Company

Our Company has constituted a Stakeholders' Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please refer to the chapter titled *"Our Management"* beginning on page 204 of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be Ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Aseem Sehgal, as the Company Secretary & Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

Mr. Aseem Sehgal
c/o Global Surfaces Limited
Plot No. PA-10-006 Engineering and Related Industries Sez, Mahindra World City Tehsil-Sanganer Jaipur-302037, Rajasthan.
Telephone: 0141-7191000

Website: www.globalsurfaces.in
Email id: cs@globalsurfaces.in

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

The Company shall obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

As on the date of this Draft Red Herring Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

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

SECTION VII - OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the MoA, the AoA, SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, Red Herring Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice 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 Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/ or any other authorities while granting their approval for the Offer.

Ranking of Equity Shares

The Equity Shares being Allotted pursuant to the Offer shall rank pari passu in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares in the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of the Allotment. For further details, see *"Main Provisions of Articles of Association"* beginning on page 361 of this Draft Red Herring Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013 the Memorandum of Association and the Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of Articles of Association"* beginning on page 231 and 361 respectively of this Draft Red Herring Prospectus.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot, will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper, Hindi also being the regional language of Rajasthan, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination of Equity Shares.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and Selling Shareholders in the manner specified in *"Objects of the Offer – Offer Related Expenses"* on page 120 of this Draft Red Herring Prospectus.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act, 2013;
- 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 of the Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013 the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, etc., see *"Main Provisions of Articles of Association"* beginning on page 361 of this Draft Red Herring Prospectus.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form and trading of the Equity Shares shall also only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated November 22, 2021 amongst our Company, NSDL and the Registrar to the Offer.
- Tripartite agreement dated December 16, 2021 amongst our Company, CDSL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint holders

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, 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 entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only in the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their portion of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre- Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Manager, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank (in case of RIBs using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC. If our Company or the Selling Shareholders, in consultation with the Book Running Lead Manager withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Bid/ Offer Programme

BID/ OFFER OPENS ON	[●]*
BID/ OFFER CLOSES ON	[●]**

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

** *Our Company may, in consultation with the Selling Shareholders and the Book Running Lead Manager, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations*

The Anchor Investor Bid/ Offer Period will be one Working Day prior to the Bid/ Offer Opening Date i.e., [●], in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

The above timetable is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Selling Shareholders, as may be required in respect of his portion of the Offered Shares, the timetable may change due to various factors, any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirms that they shall extend such reasonable support and co-operation in relation to their respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Manager will submit reports of compliance with T+6 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 four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day or 15% of the application amount, whichever is higher, for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date in terms of the UPI Circulars by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For details, please see *"Offer Procedure"* beginning on page 338 of this DRHP.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10:00 a.m. and 5:00 p.m. Indian Standard Time ("IST")
Bid/ Offer Closing Date	
Submission and Revision in Bids	Only between 10:00 a.m. and 3:00 p.m. IST

On the Bid/ Offer Closing Date, the Bids were uploaded until:

(i) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision in Bids will be accepted only during Working Days.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

None among our Company and the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company in consultation with the Selling Shareholders and the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price and shall at all times be at least 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/ Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/ Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; orin case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/ Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Offer size,the Equity Shares will be Allotted in the following order:

(i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;
(ii) upon (i), all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted; and
(iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion;

No liability to make any payment of interest or expenses shall accrue to the Selling Shareholders unless the delay in making any of the payments/ refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder, to the extent of his/ her portion of the Offered Shares. Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restrictions, if any on transfer and transmission of Equity Shares

Except for the lock- in of the pre- Offer Equity Share Capital of our Company, lock- in of the Promoter's contribution and the Anchor Investor lock- in as provided in *"Capital Structure"* beginning on page 85 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of the Equity Shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see *"Main Provisions of Articles of Association"* beginning on page 361 of this Draft Red Herring Prospectus.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

Initial Public Offer of up to 11,070,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Million comprising of a Fresh Issue of up to 8,520,000 Equity Shares aggregating up to ₹ [●] Million by our Company and an Offer for Sale of up to 2,550,000 Equity Shares aggregating up to ₹ [●] Million by the Selling Shareholders. The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process.

Particulars of the Offer	Qualified Institutional Buyers(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation/ allotment*(2)	Not more than [●] Equity Shares	Up to [●] Equity Shares	Up to [●] Equity Shares
Percentage of Offer Size available for allocation/ allotment	Not more than 50% of the Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer shall be available for allocation	Not less than 35% of the Net Offer shall be available for allocation
Basis of Allotment/ Allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Upto [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only	Proportionate	Proportionate subject to minimum lot as explained in the chapter titled "*Offer Procedure*" beginning on page 338 of this Draft Red Herring Prospectus.
Mode of Bid	ASBA only (except for Anchor Investors)(3)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 0.2 Million	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 0.2 Million	[●] Equity Shares

Particulars of the Offer	Qualified Institutional Buyers(1)	Non-Institutional Bidders	Retail Individual Bidders
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to limits as applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to limits applicable to Bidder	Such number of Equity Shares in multiples of [●] Equity Shares such that the bid amount does not exceed ₹ 0.2 Million.
Mode of Allotment	Compulsorily in dematerialized form.		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Shares thereafter		
Trading Lot	One Equity Share		
Who can apply(4)	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250 Million, pension fund with minimum corpus of ₹ 250 Million, National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs	Resident Indian Individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices and trusts for Equity Shares such that the Bid Amount exceeds ₹ 0.2 Million in value.	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹ 0.2 Million in value.
Terms of Payment	**In case of Anchor Investors:** Full Bid amount shall be payable by the Anchor Investors at the time of submission of their Bids.(5) **In case of all other Bidders:** Full Bid amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		

**Assuming full subscription in the Offer*

(1) Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii)

minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 Million but up to ₹ 2,500 Million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 Million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 Million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 Million, and an additional 10 Anchor Investors for every additional ₹ 2,500 Million or part thereof will be permitted, subject to minimum allotment of ₹ 50 Million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 Million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.
(2) Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.
(3) Anchor Investors are not permitted to use the ASBA process.
(4) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.
(5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange. For further details, please see the chapter titled *"Terms of the Offer"* beginning on page 329 of this Draft Red Herring Prospectus.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013 the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIBs through the UPI Mechanism.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 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 its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. 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, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

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/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100/- per day or 15% of the application amount, whichever is higher, for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM 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 number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and amendment to its SEBI ICDR Regulations dated January 14, 2022 has reduced the timelines for refund of application money to four days.

Our Company, the Selling Shareholders and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders and the Book Running Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer has been made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager and the Designated Stock Exchange and subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (in case of RIBs using the UPI mechanism). Bidders will not have the option of being Allotted Equity Shares in physical form.

Bidders must ensure that their PAN is linked with Aadhar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

a) Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

b) Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

c) Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

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 SCSBs 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 bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made no later than 30 days from the finalization of Basis of Allotment by Registrar to the Offer and 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.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/ Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in all editions of [●] and [●] (which are widely circulated English daily and Hindi daily newspapers, respectively, Hindi also being the regional language of Rajasthan, where our Registered Office is located) on or prior to the Bid/ Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The 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 RIBs using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

Bid cum Application Form

Copies of the Bid cum Application Form/ ASBA Form and the Abridged Prospectus will be made available with the Designated Intermediaries at the Bidding Centres and at our Registered Office. An electronic copy of the ASBA Form will also be made available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall be mandatorily required to participate in the Offer only through the ASBA process. All ASBA Bidders must provide either (i) bank account details and authorisation to block funds in the ASBA Form; or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable for rejection.

RIBs bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp will be liable to be rejected. RIBs using UPI Mechanism, shall submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account shall submit their ASBA Forms with the SCSBs. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid.

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

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis**	White
Non-residents including Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors***	White

**Excluding electronic Bid cum Application Forms*
***Electronic Bid cum Application forms and the Abridged Prospectus shall be made available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)*
****Bid cum Application Forms for Anchor Investors shall be made available at the offices of the Book Running Lead Manager*

In case of ASBA Forms, Designated Intermediaries shall be required to upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than RIBs using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall be required to submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/ Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/ Client ID or PAN, bank code and location code in the Bid details already uploaded.

For RIBs Bidding using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate UPI Mandate Request to RIBs, for blocking of funds. The Sponsor Banks shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("Cut-Off Time"). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in March 2021, June 2021 and April 20, 2022 circulars.

For ASBA Forms (other than RIBs Bidding using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Bidding process.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by Promoter and members of the Promoter Group of our Company, the Book Running Lead Manager and the Syndicate Member

The Promoter and members of their respective Promoter Groups shall not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoter and their respective Promoter Group shall not apply in the Offer under the Anchor Investor Portion. For the purposes of the above, a QIB who has the following rights was deemed to be a person related to our Promoter or Promoter Group:

i. rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group;
ii. veto rights; or
iii. right to appoint any nominee director on the Board.

Further, the Book Running Lead Manager and the Syndicate Member shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Member may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non- Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Member, shall required to be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associates of the Book Running Lead Manager can apply in the Offer under the Anchor Investor Portion:

i. mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
ii. insurance companies promoted by entities which are associate of the Book Running Lead Manager;
iii. AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
iv. FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the Book Running Lead Manager.

An Anchor Investor shall be deemed to be an associate of the Book Running Lead Manager, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the Book Running Lead Manager.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which the Bid has been made.

No Mutual Fund scheme could invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% was not applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs can obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange shall be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents (blue in colour).

For details of investment by NRIs, see *"Restrictions on Foreign Ownership of Indian Securities"* on page 359 of this Draft Red Herring Prospectus.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, will be required to be made in the individual name of the Karta. The Bidder shall specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/ Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs shall be considered at par with Bids from individuals.

Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

In terms of the FEMA Rules and Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2019 ("SEBI FPI Regulations"), investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) shall be below 10% of our post- Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates. The aggregate limit may be decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Bids by FPIs submitted under the multiple investment managers structure with the same PAN but with different beneficiary account numbers, Client ID and DP ID may not be treated as multiple Bids.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Offer shall (i) use the PAN issued by the income tax department of the Government of India for checking compliance for a single FPI, and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Further, Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure “MIM Structure”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids: (i) FPIs which utilise the MIM Structure, indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as category 1 FPIs; and (vii) Entities registered as collective investment scheme having multiple share classes.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as

Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs (under Schedule I of the FEMA Rules) registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their respective corpus in one investee company. A category III AIF cannot invest more than 10% of its corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, Provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders were treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission. Neither our Company nor the BRLM will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency

Our Company, the Selling Shareholders or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended, a certified copy of certificate of registration issued under the Limited Liability Partnership

Act, 2008, as amended, shall be required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee shall be required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, ("Banking Regulation Act"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves. The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para (i) above.

Bids by SCSBs

SCSBs participating in the Offer were 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. Such SCSBs shall be 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.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI shall be required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Manager reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids by provident funds/pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund shall be required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, NBFC – SI, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, 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 shall be required to be attached with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, shall be required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus.

In accordance with existing regulations issued by the RBI, OCBs have not participated in this Offer.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the office of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
5. Our Company and the Selling Shareholders, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange(s).
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.
9. There shall be a lock-in of 30 days on Equity Shares Allotted to the Anchor Investors from the date of Allotment.
10. Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, nor any "person related to the Promoter or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, see the General Information Document.

Information for Bidders

The relevant Designated Intermediary can enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/

Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/ she is required to surrender the earlier Acknowledgement Slip and request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/ or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bid/ Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

5. RIBs 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. RIBs 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;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. RIBs using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your

own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer;

8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than RIBs bidding using the UPI Mechanism);

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. RIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Ensure that you have correctly signed the authorisation/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 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, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir-8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned are liable to be rejected;

16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. 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;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

21. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

24. 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 Bid/ Offer Closing Date;

25. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which were required to be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;

26. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/ her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

27. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA

Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

28. The Bid cum Application Form shall be liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not submit the Bid for an amount more than funds available in your ASBA account;
9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
10. If you are a RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
11. Anchor Investors should not Bid through the ASBA process;
12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
14. Do not submit the GIR number instead of the PAN;
15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
19. Do not submit a Bid using UPI ID, if you are not a RIB;
20. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries after you have submitted a Bid to the Designated Intermediary;
21. Do not Bid for Equity Shares more than what is specified by respective Stock Exchange for each category;
22. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;
23. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Draft Red Herring Prospectus;

24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
25. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are RIB and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;
26. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID; and
27. Do not Bid if you are an OCB;
28. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs using the UPI Mechanism.
30. Do not submit the Bid cum Application Forms to any non-SCSB bank; and
31. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by RIB Bidder using the UPI Mechanism).

The Bid cum Application Form shall be liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/ or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than Rs. 2.00 Lakhs (net of Retail Discount);
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/ demat credit/ refund orders/ unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see *"General Information"* beginning on page 77 of this Draft Red Herring Prospectus.

In accordance with SEBI circular dated March 16, 2021, for IPOs opening subsequent to May 1, 2021 (or any other date as prescribed by SEBI) 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 Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated by the SCSB at a uniform rate ₹100/- per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100/- per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100/- per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date till the date of the actual unblock.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Manager 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 through this Draft Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Net Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Selling Shareholders shall, in consultation with the Book Running Lead Manager, in their absolute discretion, decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor

Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- In case of resident Anchor Investors: “[●]”
- In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper, Hindi also being the regional language of Rajasthan, where our Registered Office is located, each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus.

Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the ‘Prospectus’. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken in consultation with the Book Running Lead Manager within such period as may be prescribed under applicable law;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- compliance with all disclosure and accounting norms as may be specified by SEBI from time to time;

- Promoter's contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees; and

- No further issue of the Equity Shares shall be made till the Equity Shares to be offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/ refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

The Selling Shareholders undertake in respect of themselves as Selling Shareholders and their portion of the Offered Shares that:

- the Equity Shares offered by them in the Offer for Sale are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations and shall be in dematerialized form at the time of transfer;

- they shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose of any of its respective Offered Shares being offered pursuant to the Offer until such time that the lock-in (if applicable) remains effective save and except as may be permitted under the SEBI ICDR Regulations;

- they shall provide such reasonable assistance to our Company and the Book Running Lead Manager in redressal of such investor grievances in relation to their respective Offered Shares and statements specifically made or confirmed by them in relation to themselves as Selling Shareholders;

- they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- they shall provide such reasonable cooperation to our Company in relation to their respective portion of the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable); and

- they shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

Only the statements and undertakings in relation to each Selling Shareholder and their portion of the Equity Shares offered in the Offer for Sale which are specifically "confirmed" or "undertaken" by them in this Draft Red Herring Prospectus, shall be deemed to be "statements and undertakings specifically confirmed or undertaken" by such Selling Shareholder. All other statements and/ or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders.

Utilisation of Offer Proceeds

Our Board certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

"Any person who—

makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1 million 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 ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 Lakhs or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy of the Government of India and FEMA and the circulars and notifications issued thereunder.While the FDI Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT"), formerly known as Department of Industrial Policy and Promotion issued the Consolidated FDI Policy Circular of 2020 ("FDI Policy") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted in the "Manufacturing" sector. For details, see *"Key Industry Regulations and Policies"* on page 189.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign ExchangeManagement (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval hasbeen obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereofwithin the Offer Period.

As per the existing policy of the Government, OCBs could not participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are may be offered and sold outside the United States in offshore transactions in reliance on with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For further details, see "*Offer Procedure*" beginning on page 338 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the applicable limits under laws or regulations.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION

OF

GLOBAL SURFACES LIMITED

A COMPANY LIMITED BY SHARES

TABLE 'F' EXCLUDED

(1) The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

(2) The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

Interpretation

I. (1) In these Article-

(a) "the Act" means the Companies Act, 2013,

(b) "the seal" means the common seal of the company.

(c) "Articles" means these articles of association of the Company or as altered from time to time.

(c) "Board of Directors" or "Board", means the collective body of the directors of the Company.

(d) "Company" means "Global Surfaces Limited"

(e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

(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

II. 1. 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.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided -

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) 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.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem 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.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed under the act and rules made.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking pari passu therewith

8. Subject to the provisions of company act, 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

9. (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 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 dividend bonuses declared from time to time in respect of such shares.

10. 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.

11. (i) To give effect to any such sale, the Board may authorize 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.

12. (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

13. (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

14. 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.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (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 percent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (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.

18. 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

19. (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.

20. 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.

21. 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.

22. 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

23. (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 shareholder, shall be the only persons recognized 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.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (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.

26. 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 complied with.

Forfeiture of shares

27. 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.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. 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.

30. (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.

31. (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.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(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.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. 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.

36. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—

(a) Its share capital;

(b) Any capital redemption reserve account; or

(c) Any share premium account.

Capitalisation of profits

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (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.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such 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;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. 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

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43 (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 Act.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. 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.

46. 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.

47. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

48. (1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. Minutes of proceedings of meetings and resolutions passed by postal ballot.

(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -

(a) is, or could reasonably be regarded, as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company. Certain matters not to be included in Minutes

(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause. Discretion of Chairperson in relation to Minutes

(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein. Minutes to be evidence

49. (1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

(a) Be kept at the registered office of the Company; and

(b) Be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays. Inspection of minute books of general meeting

(2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above: Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost members may obtain copy of minutes

50. The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the

meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision. Powers to arrange security at meetings

Adjournment of meeting

51. (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 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

52. 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.

53. A member may exercise his vote at a meeting by electronic means in accordance with section the act and shall vote only once.

54. (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.

55. 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.

56. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

57. 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.

58. (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

59. 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.

60. An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.

61. 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

62. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 14 (fourteen)

63. (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.

(iii) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

(iv) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

64. The Board may pay all expenses incurred in getting up and registering the company.

65. 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 thinks fit respecting the keeping of any such register.

66. 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.

67. 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.

68. (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.

(iii) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. The director so appointed shall hold office only up Duration of office to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

69. MAYANK SHAH shall be and shall continue as the non-retiring Chairman of the Board so long as he is willing to be a Director and Chairman of the Company. In the event of MAYANK SHAH being unable or unwilling to act as the Chairman, he will have the right to nominate any other person as Director and Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meetings of the Company. The Chairman shall have a casting vote in the event of a tie.

Subject to the provisions of the Act, 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. 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.

The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. Duration of office of alternate director: An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. Re-appointment provisions applicable to Original Director: If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

Duration of office of Director appointed to fill casual vacancy: The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.

POWERS OF BOARD

70. General powers of the Company vested in Board: The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and

these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Proceedings of the Board

71. (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.

(iii) The quorum for a Board meeting shall be as provided in the Act.

72. (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.

73. 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.

74. (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 Fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

(iii) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

75. (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.

76. (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 Fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

77. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

78. 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.

79. 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

80. 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.

81. 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.

Registers

82. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and registers of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. 104

(a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and\ the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. Foreign register

(b) The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

The Seal

83. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

84. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

85. Subject to the provisions of Act, 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.

86. (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 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.

87. (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.

88. 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.

89. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

(iii) The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such persons hall become a member in respect of such shares.

(iv) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

90. 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.

91. 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.

92. No dividend shall bear interest against the company.

93. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

**94. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

Accounts

95. (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 authorized by the Board or by the company in general meeting.

Winding up

96. 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.

(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.

** added via special resolution passed in EOGM of Shareholders held on 25th April 2022 at the registered office of company.

Indemnity and Insurance

97. Directors and officers right to indemnity: Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favor or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Insurance: The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

General Power

98. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Draft Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents and contracts for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date). Copies of the documents for inspection referred to hereunder, will also be available on the website of the Company at www.globalsurfaces.in/ from the date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer agreement dated June 20, 2022 entered into between our Company, the Selling Shareholders and the BRLM;
2. Registrar agreement dated June 6, 2022, entered into amongst our Company and the Registrar to the Offer;
3. Cash escrow and sponsor bank agreement dated [●] amongst our Company, the Registrar to the Offer, the BRLM, the Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Banks and the Refund Bank(s);
4. Share escrow agreement dated [●] entered into amongst the Selling Shareholders, our Company and a share escrow agent.
5. Syndicate agreement dated [●] amongst our Company, the BRLM, the Syndicate Members and the Registrar to the Offer;
6. Underwriting agreement dated [●] amongst our Company and the Underwriters; and
7. Monitoring agency agreement dated [●] amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;
2. Certificates of incorporation dated August 23, 1991 and the fresh certificate of incorporation dated May 28, 2004 and October 20, 2021 consequent upon change of name and fresh certificate of incorporation dated October 21, 2021 consequent to conversion into a public limited company, respectively;
3. Resolution of the Board of Directors dated March 26, 2022, in relation to the Offer and other related matters;
4. Consents dated March 24, 2022 by the Selling Shareholders, Mr. Mayank Shah and Mrs. Sweta Shah in relation to the Offer for Sale;
5. Shareholders resolution dated April 25, 2022 in relation to this Offer and other related matters;
6. Examination report dated June 17, 2022, of our Statutory Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
7. Copies of the annual reports of the Company for the Fiscal Years 2022, 2021 and 2020;
8. The statement of possible special tax benefits dated June 21, 2022, from the Statutory Auditors;
9. Consent of the Directors, the BRLM, the Syndicate Members, the Legal Advisor, the Registrar to the Offer, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Banks, Public Offer Account Bank, the Bankers

to our Company, the Company Secretary and Compliance Officer, the Monitoring Agency and the Chief Financial Officer, to act in their respective capacities;

10. Consent of Statutory Auditors, B Khosla & Company, Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, in respect of the examination report of the Auditors on the Restated Financial Statements dated June 17, 2022 included in this Draft Red Herring Prospectus;
11. Consent of Statutory Auditors, B Khosla & Company, Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, in respect of the statement of possible special tax benefits dated June 21, 2022 included in this Draft Red Herring Prospectus;
12. Consent of M/s. Haripriya Associates Private Limited, Chartered Engineer, to include its name in this Draft Red Herring Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the certificates dated June 23, 2022 and June 23, 2022;
13. Consent from CARE Advisory Research and Training Limited dated June 17, 2022, to include contents or any part thereof from their report titled "*Report on Natural and Engineered Stone Industry*" dated May 2022 in this Draft Red Herring Prospectus;
14. Report titled "*Report on Natural and Engineered Stone Industry*" dated May 2022, prepared and issued by CARE Advisory Research and Training Limited and commissioned by our Company for an agreed fees;
15. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively;
16. Tripartite agreement dated November 22, 2021 between our Company, NSDL and the Registrar to the Offer;
17. Tripartite agreement dated December 16, 2021 between our Company, CDSL and the Registrar to the Offer;
18. Due diligence certificate dated June 26, 2022, addressed to the SEBI from the BRLM.
19. Resolution of the Board dated June 26, 2022 approving this Draft Red Herring Prospectus.

DECLARATION

We hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Name & Designation	Signature
Mayank Shah *Managing Director and Chairperson*	Sd/-
Sweta Shah *Executive Director*	Sd/-
Dinesh Kumar Govil *Non-Executive Independent Director*	Sd/-
Yashwant Kumar Sharma *Non-Executive Independent Director*	Sd/-
Sudhir Baxi *Non-Executive Independent Director*	Sd/-

SIGNED BY THE KEY MANAGERIAL PERSONNEL OF THE COMPANY

Name & Designation	Signature
Aseem Sehgal *Company Secretary & Compliance Officer*	Sd/-
Rajesh Gattani *Chief Financial Officer*	Sd/-

Place: Jaipur
Date: June 26, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Sd/-
Ashish Kumar Kachawa
Non-Executive Director

Place: Dubai, UAE
Date: June 26, 2022

DECLARATION BY SELLING SHAREHOLDER

I, Mayank Shah, acting as Selling Shareholder, hereby certify that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself and the Equity Shares being offered by me in the Offer for Sale are true and correct. I assume no responsibility, as the Selling Shareholder, for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY SELLING SHAREHOLDER

Sd/-
Mayank Shah

Place: Jaipur
Date: June 26, 2022

DECLARATION BY SELLING SHAREHOLDER

I, Sweta Shah, acting as Selling Shareholder, hereby certify that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself and the Equity Shares being offered by me in the Offer for Sale are true and correct. I assume no responsibility, as the Selling Shareholder, for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY SELLING SHAREHOLDER

Sd/-
Sweta Shah

Place: Jaipur
Date: June 26, 2022