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100% Book Built Issue



ENCOMPASS DESIGN INDIA LIMITED
(Formerly known as Encompass Design India Private Limited)
CIN: U74210MH2010PLC200672

Our Company was originally incorporated as “Encompass Design India Private Limited” a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from “Encompass Design India Private Limited” to “Encompass Design India Limited” and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672.

Registered Office: Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India, 400063.

Contact Person: Nikita Dinesh Chandak, Company Secretary and Compliance Officer, Tel No: +91 7738988671; E-mail: cs@edipl.in; Website: www.edipl.in

Promoters of our Company: Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal, Mr. Yogendra Vashishta

INITIAL PUBLIC ISSUE OF UPTO 37,58,400 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH (“EQUITY SHARES”) OF ENCOMPASS DESIGN INDIA LIMITED (THE “COMPANY” OR THE “ISSUER” OR “EDIL”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “ISSUE PRICE”) AGGREGATING UPTO ₹ [●] LAKH (“THE ISSUE”). THE ISSUE COMPRISING OF A FRESH ISSUE OF UP TO 37,58,400 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE “FRESH ISSUE”) OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH DAILY NEWSPAPER [●] ALL EDITIONS OF THE HINDI DAILY NEWSPAPER [●] AND MARATHI EDITION OF THE REGIONAL NEWSPAPER [●], EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, REFERRED TO AS THE “DESIGNATED STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SEBI ICDR REGULATIONS, 2018 AS AMENDED.

FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 324 OF THIS DRAFT RED HERRING PROSPECTUS.

ADDENDUM TO DRAFT RED HERRING PROSPECTUS: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

Potential Bidders may note the following:

1. The Section I titled “General” beginning on Page 01 of the Draft Red Herring Prospectus has been revised and updated as some new definitions are added as suggested by the NSE.
2. The Section II titled “Summary of Issue Document” beginning on page 22 has been revised and updated as suggested by the NSE.
3. The Section III titled “Risk Factors” beginning on page 28 of the Draft Red Herring Prospectus in internal risk factor. Some risk factors have been added, accordingly revised, and update exiting Section as suggested by the NSE.
4. The Chapter titled “Objects of the Issue” beginning on page 93 of Section VII of Draft Red Herring Prospectus has been updated as a whole as suggested by the NSE.
5. The Chapter titled “Our Business” beginning on page 128 of the Draft Red Herring Prospectus has been revised and updated as suggested by the NSE.
6. The Chapter titled “Key Industry Regulations” beginning on page 164 of the Draft Red Herring Prospectus has been referred as suggested by the NSE.
7. The Chapter titled “Our Management” beginning on page 180 of the Draft Red Herring Prospectus has been referred as suggested by the NSE.
8. The Chapter titled “Our Promoter and Promoter Group” beginning on page 196 of the Draft Red Herring Prospectus has been referred as suggested by the NSE.
9. The Chapter titled “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 236 of the Draft Red Herring Prospectus has been revised and updated as suggested by the NSE.
10. The Chapter titled “Material Contracts and Documents for Inspection” beginning on page 365 of the Draft Red Herring Prospectus has been revised and updated as suggested by the NSE.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

Date: October 31, 2025

Place: Mumbai

On Behalf of Encompass Design India Limited

Sd/-

Mr. Amit Rajendraprasad Dalmia
(Managing Director)

BOOK RUNNING LEAD MANAGER TO THE ISSUE



REGISTRAR TO THE ISSUE



3DIMENSION CAPITAL SERVICES LIMITED

K-37A, Basement, Kailash Colony, Near Kailash Colony Metro
Station, New Delhi- 110048

Tele No.- +91-11-40196737

Email: info@3dcs.com

Investor Grievance Email: grievance@3dcs.com

Website: www.3dcs.com

Contact Person : Pankaj Khetan/ Rhydhm Kapoor

SEBI Registration Number:INM000012528

MUG INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, 1st Floor, L B S Marg, Vikhroli (West), Mumbai 400083,
(Maharashtra), India.

Tel. No.: +91 810 811 4949

Facsimile: N.A.

E-mail Id: edil.smeipo@in.mpms.mufg.com

Investor Grievance Email: edil.smeipo@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

Contact Person: Shanti Gopalkrishnan

SEBI Registration No. INR000004058

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SECTION-I

GENERAL

DEFINITION AND ABBREVIATIONS

Issue Related Terms

Term	Description
Addendum to Draft Red Herring Prospectus.	The Addendum dated October 31, 2025 to the Draft Red Herring Prospectus dated July 25, 2025 filed by our Company with NSE Emerge.
Monitoring Agency	The Monitoring Agency of the company Being [●]
Monitoring Agency Agreement	The Monitoring Agency Agreement dated [●] between our Company and Monitoring Agency.

SECTION-II
SUMMARY OF ISSUE DOCUMENT

OBJECTS OF THE ISSUE

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

S.No	Particulars	Amount (In Lakhs)
1.	Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment	1148.58
2.	To Meet Working Capital Requirements of the Company;	729.42
3.	Repayment/ prepayment of certain borrowings availed by our Company and	1100.00
4.	General corporate purposes#	[●]
	Total	[●]

**To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or Rs. 10 crores whichever is lower.*

SECTION III- RISK FACTORS

On Page no. 28 of the DRHP under the heading “Internal Risk Factor” we will update the following:

New Risk factor has been included as RF-1

1. Our Company operates across diversified business segments, and any inability to effectively manage and focus on these segments may adversely impact our overall performance..

Our business operations are spread across multiple segments, including (i) manufacturing of home and lifestyle products, (ii) development and marketing of food products, (iii) trading of fabrics, cotton and agro-based products, and (iv) providing digital and e-commerce support services. While diversification provides multiple revenue streams, it also exposes us to risks associated with managing varied lines of business simultaneously. There can be no assurance that our management will be able to allocate adequate resources, attention and expertise to each of these segments. In the event greater focus is placed on one business vertical, it may result in reduced attention or resource allocation towards other segments, thereby leading to lower revenues, profitability or market share in such segments. Further, any decline in the performance of one or more of our business verticals could adversely impact our overall financial condition and results of operations. For further details on the segment-wise revenue breakup, please refer to page no. 153 of this DRHP.

Risk factor Number 6 Shifted to Risk Factor 2

2. We depend upon a limited number of suppliers for providing raw materials and products. Furthermore, we have not entered into any long-term agreement or contract for providing these raw materials and products. Any dispute with one or more of them may adversely affect our business operations.

We rely on a limited number of suppliers for the procurement of raw materials required for our manufacturing operations and for sourcing products intended for trading. This reliance exposes us to various operational and financial risks. We have not entered into any long-term supply agreements with these suppliers, and our procurement is conducted on a purchase-order basis. As a result, we are vulnerable to potential supply disruptions, changes in pricing or credit terms, and the risk of disputes with suppliers. Any such event may lead to delays in production or fulfillment of trading commitments, impacting our ability to deliver products to our customers on time.

Furthermore, the absence of long-term contractual arrangements may limit our bargaining power and expose us to unfavorable pricing or supply terms, which could adversely affect our margins and overall profitability. Given the critical role of suppliers in our supply chain, our continued success is heavily dependent on maintaining strong and stable relationships with them. Any deterioration in these relationships, or inability to secure reliable and cost-effective supply, could have a material adverse effect on our revenue, operations, and financial performance.

The details of top suppliers in terms of amount for the last 3 years and stub period are as follows:

(Amount in lakhs)

Particulars	Financial Year ended	Financial Year ended on	Financial Year ended
Top 1 Suppliers	414.31	150.03	91.85
% of Cost of Services and	13.35	15.06%	5.54%
Top 5 Suppliers	1339.	409.53	363.12
% of Cost of Services and	43.18	41.11%	21.92%
Top 10 Suppliers	1555.9	473.53	526.96
% of Cost of Services and	50.15	47.54%	31.81%

*Please note that the % in the above tables are calculated as a percentage of Cost of Services and Goods based on restated financial statement.

We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of

operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time. For further details, please refer the chapter “Our Business” beginning on page no. 128 of this Draft Red Herring Prospectus

Risk factor Number 13 Shifted to Risk Factor 3

3. We are dependent on certain online marketplaces for the sale of our products. Any potential increase in the commission rates charged by these platforms may lead to higher selling costs, which could require us to increase the prices of our products which could adversely affect customer demand, our competitiveness, and overall financial performance.

We primarily sell our self-manufactured products through third-party online marketplaces such as Amazon and Myntra. These platforms charge us commissions and fees for listing and selling our products, and we are subject to their terms and conditions. Any increase in the commission rates or fees charged by these platforms could result in higher operating costs for us. In order to maintain our margins, we may be compelled to increase the prices of our products, which could adversely affect customer demand, our competitiveness, and overall financial performance. Additionally, any changes in their policies, algorithms, or business practices could impact our visibility, sales volume, and profitability. Our dependence on these platforms exposes us to risks beyond our control, and any adverse developments related to them could have a material adverse effect on our business, financial condition, and results of operations. However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future. For further information on the “Our Business” please refer to page 128 of this Draft Red Herring Prospectus.

Risk factor Number 16 Shifted to Risk Factor 4

4. We manufacture a wide range of products and if we are unable to sell them effectively, it could adversely impact our revenue, profitability, and overall financial performance and if we are unable to accurately identify customer demand and maintain an optimal level of inventory in our stores, our business, results of operations and cash flows may be adversely affected.

We manufacture a wide range of home and lifestyle products such as bed sheets, curtains, comforters, table linens, and pillow covers as well as food products, particularly sauces, under our own brands. If we are unable to effectively market and sell our products through these digital platforms due to changes in consumer behavior, disruptions in online marketplace operations, increased competition, or unfavorable platform policies, it could lead to reduced sales volumes. Such disruptions may adversely affect our revenue, profitability, and overall financial performance.

Our ability to effectively forecast customer demand and trends is a critical component of our business success. While we strive to make accurate predictions to avoid both under-stocking and over-stocking, there is no guarantee that our forecasts will always be precise. The timely supply of products is essential for maintaining customer satisfaction and loyalty. Delays in product deliveries, wrong shipments, or instances of stockouts may lead to customer walkouts and lost sales, negatively impacting our reputation and financial performance. Conversely, over-stocking inventory could lead to increased capital requirements, as well as the risk of aging or obsolete inventory, which could result in significant costs, including write-offs or markdowns. Similarly, maintaining excess raw materials could lock up working capital, further straining our financial flexibility. Inaccurate demand forecasting and inefficient inventory management could materially adversely affect our business operations, financial results, and cash flows, potentially undermining investor confidence and affecting the success of our IPO.

In the past, we have experienced one or two such instances that led to slower sales, requiring us to offer steep discounts to manage inventory levels. If such disruptions become more frequent or prolonged, they could adversely affect our revenue, margins, and overall financial performance.

For further details, please refer the chapter “Our Business” on pages 128 of this Draft Red Herring Prospectus.

New Risk factor has been included as RF-10

10. We are in the process of obtaining a No Objection Certificate (NOC) from a lender. The NOC relates to an unsecured loan availed by the Company. We are actively following up with the lender for timely receipt of the NOC.

We have availed certain unsecured borrowings in the ordinary course of business. In relation to such borrowing, we have approached the concerned lender to obtain a No Objection Certificate (“NOC”) in connection with the proposed Issue. As on the date of this Draft Red Herring Prospectus, the said NOC is under process with the lender.

We are actively communicating with the lender to obtain a No Objection Certificate (“NOC”) in connection with certain unsecured borrowings availed by us. However, the timing for receipt of such NOC depends on the internal processes of the lender, which are beyond our control. While we do not expect any significant issues, unforeseen circumstances may arise that could require us to take necessary steps to ensure compliance with applicable laws and contractual obligations.

New Risk factor has been included as RF-13

13. Our Company has experienced a rising trend in employee attrition rate, if we fail to identify, recruit and integrate strategic personnel, our business could be adversely affected.

Our Company has witnessed a consistent increase in employee attrition over the past three financial years. The attrition has primarily been concentrated at the junior levels, while the top management and core decision-making teams have remained stable and unaffected. This indicates that although overall attrition rates have risen, the Company’s leadership and strategic decision-making capability remain intact.

The attrition rate of the Company for the periods covered in the Draft Red Herring Prospectus (DRHP) is provided in the table below for your reference:

Particulars	No. of Employees		
	2024-25	2023-24	2022-23
Number of Employees in Previous Years	89	57	40
No. of New Employees in the Current Year	23	47	24
No. of Employees left & Retired	25	15	07
No. of Total Employees in Current Year	87	89	57
Attrition Ratio	28.41%	20.55%	14.43%

If the Company is unable to retain key managerial personnel or skilled employees, or fails to attract and effectively integrate new talent, it may face disruptions in operations, challenges in executing its growth strategy, and potential impacts on overall business performance. Continued high attrition could also result in increased recruitment and training costs, loss of organizational knowledge, and reduced employee morale. If we fail to identify, recruit and integrate strategic personnel, our business could be adversely affected. Any loss of members of our Senior Managerial Personnel or Key Managerial Personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business. If we are not able to retain and motivate our current personnel or effectively integrate and retain employees, our ability to achieve our strategic objectives, and our business and operations could be adversely affected.

Despite the rise in overall attrition rates in the past, there has been no adverse impact on the Company’s business, which has continued to operate smoothly and efficiently.

The Company is actively monitoring these trends and evaluating strategic retention initiatives; however, there can be no assurance that attrition levels will stabilize in the near term.

New Risk factor has been included as RF-14

14. Risk relating to differences in financial disclosures between the audited standalone financial statements and the Restated Financial Statements included in this Draft Red Herring Prospectus (DRHP).

There have been certain differences between our Audited Standalone Financial Statements for FY 2023–24 and the Restated Financial Statements included in this DRHP. The key differences are as follows:

1. Preference Share Capital:

During FY 2023–24, 33,541 preference shares were converted into equity shares. However, this conversion was not reflected in the Audited Standalone Financial Statements of that year and continued to be shown under Preference Share Capital. The error was subsequently identified and rectified while preparing the Restated Financial Statements for inclusion in the DRHP, wherein the revised capital structure has been correctly disclosed. Accordingly, the figures presented in the DRHP represent the accurate position post-rectification, whereas the FY 2023–24 Audited Standalone Financial Statements carried the earlier unadjusted balance.

2. Equity Shareholders Holding More than 5% :

The difference in the disclosure of equity shareholders holding more than 5% shares arose due to certain share transfer transactions not being properly updated in the Audited Standalone Financial Statements. For instance, during FY 2022–23, 64,287 equity shares were transferred from Mr. Arunanshu Agarwal to Mr. Amit Dalmia, which was duly recorded in the Company's Register of Members but inadvertently not updated in the Audited Standalone Financial Statements for FY 2023–24. This has been corrected in the Restated Financial Statements. Further, on 31 March 2024, 16,820 equity shares were transferred to Mr. Ruman Agarwal and 16,821 equity shares were transferred to Mr. Yogendra Vashishta from Vistra ITCL (India) Limited – Trustee – Blume Ventures Fund I. These secondary transfers were not reflected in the Audited Standalone Financial Statements but have been duly considered in the DRHP disclosures.

3. Preference Shareholders Holding More than 5% :

The difference in disclosure of preference shareholders holding more than 5% shares arose due to (i) the same non-reflection of the conversion of 33,541 preference shares into equity shares, and (ii) inadvertent omission of names of certain preference shareholders holding more than 5% in the Audited Standalone Financial Statements. These errors were identified and rectified while preparing the Restated Financial Statements, and the DRHP contains the correct and updated disclosure.

While these differences have since been identified and rectified, and the DRHP presents the accurate capital structure and shareholding details. Accordingly, investors should rely on the Restated Financial Statements included in this DRHP for the correct and updated position.

We hereby confirm these errors have been rectified in the Restated Financial Statements, and the correct figures are disclosed on pages 216 and 217 of this DRHP, which present a true and fair view.

Risk factor Number 28 Shifted to Risk Factor 18

18. Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations. Further any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customer's discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

Risk factor Number 30 Shifted to Risk Factor 19

19. Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition.

For Manufacturing of Home and Lifestyle products, the quality checks begin with the inspection of pre-treated greige fabric, and the material goes through checks at every stage of the process. For Manufacturing of Gourmet Food, our cloud kitchen partners follow a standardised quality control process where both raw materials, like fresh fruits & vegetables, and finished products are checked for its taste, viscosity, pH levels and other core specifications to ensure the product meets our standards. The finished product is further inspected at our premises for packaging and overall quality. For further details, please refer to chapter — “Our Business” on page no. 128 of this Draft Red Herring Prospectus.

Our products may contain quality issues or undetected errors or defects, especially when first introduced or when new products are developed, resulting from the design or manufacture of the product or raw materials used in the product. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products. However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future.

New Risk factor has been included as RF-33

33. We may encounter cybersecurity and data privacy risks that could undermine our ability to safeguard sensitive consumer information, potentially resulting in significant financial losses, reputational damage, legal liabilities, and regulatory penalties.

We manufacture a wide range of home and lifestyle products, such as bed sheets, curtains, and covers, as well as food items, particularly sauces, marketed under our own brands and sold through third-party online marketplaces. This exposes us to an increased risk of data breaches involving sensitive consumer information, including personal details, payment data, and transaction history. A breach could result in unauthorized access or theft of such data, leading to significant financial losses, reputational damage, legal liabilities, and regulatory penalties.

Additionally, as the company continues to grow, we may face internal cybersecurity risks. Employees or contractors could unintentionally or maliciously compromise sensitive data, particularly if there is insufficient awareness or weak security protocols in place. However, we confirm that there have been no past instances in last 3 years where we face such risks, but we cannot guarantee that similar challenges will not arise in the future.

New Risk factor has been included as RF-35

35. We may face the risk of brand dilution, counterfeiting, and intellectual property infringement, which could negatively impact our brand reputation and market position.

Our brand is a key asset, and any unauthorized use of our trademarks, logos, packaging, or other brand elements—as well as the sale of counterfeit or look-alike products—may mislead consumers and negatively affect their perception of our brand. The widespread presence of such products in the market could result in brand dilution, loss of distinctiveness, and a decline in overall brand value. While we have not experienced any such infringements or violations to date, there can be no assurance that such instances will not arise in the future.

Detecting and preventing unauthorized use of our products, technology, and proprietary rights is often costly, complex, and, in some cases, not entirely possible. Despite taking appropriate measures to protect our intellectual property, third parties may still infringe upon our rights, potentially harming our brand image and competitive position.

Additionally, we may face claims alleging that our products or technologies infringe upon the intellectual property rights of others. If such claims arise, we could be subject to prolonged litigation, significant financial liabilities, diversion of management attention and resources, and may be required to enter into costly licensing agreements or discontinue the use of certain brands or technologies. Any of these outcomes could materially and adversely affect our business, financial condition, and results of operations.

New Risk factor has been included as RF-42

42. Non-compliance with, and changes in, safety, health, environmental (ESG), and other applicable regulations could adversely impact our Company's operations and financial performance.

We are subject to Indian laws and government regulations, including those related to safety, health, environmental

protection, and broader ESG requirements. Our products, as well as the processes of their manufacture, storage, and distribution, must adhere to numerous regulations concerning quality, safety, health, and environmental impact. Failure to comply with existing or future regulations could lead to fines, legal proceedings, and third-party claims, which may negatively affect our operations and financial condition.

Moreover, there is no assurance that our Company will be free from future litigation or proceedings related to ESG matters, including safety, health, and environmental issues, which could result in significant costs. Any accidents or breaches in these areas may cause personal injury, loss of life, or substantial damage to property and equipment, potentially leading to the suspension of operations. Extended shutdowns at any of our facilities could materially and adversely affect our business and overall operations. However, we confirm that the company has not faced any such instances in the past three years where we face such risks, but we cannot guarantee that similar challenges will not arise in the future.

SECTION VII – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

REQUIREMENT OF FUNDS

The Issue comprises of fresh issue of up to 37,58,400 Equity Shares by our Company aggregating [●] Lakhs. Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment .
2. To Meet Working Capital Requirements of the Company;
3. Repayment/ prepayment of certain borrowings availed by our Company and
4. General Corporate Purpose.

(Collectively, referred to herein as the “Objects of the Issue”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company believes that listing will enhance our Company’s corporate image, brand name and create a public market for its Equity Shares in India.

ISSUE PROCEEDS

The details of the proceeds of the Fresh Issue are set forth in the table below:

(₹ in Lakhs)

Particulars	Amount*
Gross Proceeds of the Issue	[●]
Less: Issue related Expenses	[●]
Net Proceeds of the Issue	[●]

*To be updated in the Prospectus prior to filing with RoC.

UTILISATION OF NET PROCEEDS

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

(₹ in Lakhs)

Sr. No	Particulars	Estimated Amount	% of Gross Proceeds*	% of Net Proceeds*
1.	Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment	1148.58	[●]	[●]
2.	To Meet Working Capital Requirements of the Company;	729.42		
3.	Repayment/ prepayment of certain borrowings availed by our Company and	1100.00	[●]	[●]
4.	General corporate purposes [#]	[●]	[●]	[●]
	Total*	[●]	[●]	[●]

[#]The amount to be utilised for general corporate purposes will not exceed fifteen percent of the amount being raised by our company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018.

*To be updated in the Prospectus prior to filing with RoC.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds of the Issue are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in Lakhs)

Sr. No.	Object	Amount to be financed	Estimated Utilization of Net Proceeds in F. Y. 2025-26	Estimated Utilization of Net Proceeds in F. Y. 2026-27
1.	Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment	1148.58	1148.58	-
2.	To Meet Working Capital Requirements of the Company;	729.42	375.00	354.42
3.	Repayment/ prepayment of certain borrowings availed by our Company and	1100.00	1100.00	-
4.	General corporate purposes ^{**}	[●]	[●]	
	Total*	[●]	[●]	[●]

*To be updated in the Prospectus prior to filing with RoC.

The amount utilized for general corporate purpose shall not exceed fifteen percent of the gross proceeds of the Issue or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with owners, variation in cost estimates and other external factors such as changes in the business environment and interest, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds and for further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “**Risk Factors**” on page 28.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned objects during Fiscal 2026. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

MEANS OF FINANCE

The fund requirements set out for the aforesaid objects are proposed to be met entirely from the Net Proceeds, internal accruals, net worth and existing debt financing. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

DETAILS OF THE OBJECTS OF THE ISSUE

I. Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment:

We have established our branch office on a rental commercial property situated at Office No. 701, Simba Tower, CTS No. 67/A/1/2, off Western Express Highway, 12 Aradhana Industrial Estate, Goregaon (East), Mumbai – 400063. Currently, we are incurring a monthly rental expense of ₹3,85,875 (excluding GST) for the use of this office space.

To optimize our operating expenses and strengthen our asset base, the Company has entered into an agreement dated June 17, 2025, for the purchase of the said office premises. The premises are situated on the 7th floor of Simba Tower and have a carpet area of approximately 1846.22

square feet. The total purchase consideration for the office premises is ₹1,000.00 lakhs.

The acquisition of this property is expected to result in long-term cost savings by eliminating rental outflows and securing a permanent office infrastructure to support our growing operations.

Our Board in its meeting dated June 09, 2025 took note that an amount of ₹ 979.00 lakhs is proposed to be utilized towards funding capital expenditure requirements of our company towards purchasing an office from the Net Proceeds. The table below sets forth the break-up of the total estimated costs for setting up of the proposed office:

(₹ in lakhs)

Description of the Property	Total Purchase Consideration **	Amount already incurred out of Internal Accruals*	Amount proposed to be funded from the Net proceeds	Carpet Area (Sq. ft.)	Date of intent to sale agreement	Name, address, and occupation of Owner
701, Simba Tower, CTS No. 67/A/1/2, off Western Express Highway, 12 Aradhana Industrial Estate, Goregaon (East), Mumbai – 400063.	1,000.00	21.00	979.00	1846.22 sq. ft.	June 17, 2025	Name: Mr. Karwa Krishna Kumar Murlidhar Address: Resident of: Flat no.1601/B, Beamonde, Appa Saheb Marthe Marg, Prabhadevi, Mumbai- 400025. Occupation: Business
Total	1,000.00	21.00	979.00			

* Our Company has made payment of ₹ 21.00 lakhs from internal accruals towards acquisition of Office.

** Total Purchase consideration does not include stamp duty/legal/registration charges.

Payment terms as per the intent to sale agreement dated June 17, 2025:

The balance payment of ₹ 9,79,00,000/- (Rupees Nine Crores Seventy-Nine Lakhs only) shall be paid on or before six months from the signing of the intent to sale agreement, with a grace period of 30 days.

The Sale Deed shall be executed and registered upon full payment of the sale consideration by the Buyer.

Notes:

- The said property is free from all encumbrances and have clear title, post-acquisition of the said property, it will be registered in the name of our Company. Our Promoters, Directors and KMP, do not have any interest in abovementioned object and are not related to Mr. Karwa Krishna Kumar Murlidhar from whom we propose to acquire such property.

Government and Other Approvals:

In relation to the proposed office, we are required to obtain certain approvals, which are routine in nature, from certain governmental or local authorities, the status of which is provided below:

Sr. No.	List of Approvals	Stages when it is required

1.	Registration under The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	We have already obtained these approvals as we are currently operating our branch office here on lease
2.	Addition of additional place of business in GST Registration Certificate (Maharashtra)	Post purchase of property

In addition to the purchase of the office premises, our Company proposes to utilize ₹169.58 lakhs from the Net Proceeds towards interior work and refurbishment of the said office premises. The proposed expenditure will Dismantling & Demolition works, Civil & Plumbing works, Ceiling works and Wall Finishes, Carpentry works, Electrical works, and other allied interior works required to make the premises operationally efficient and suitable for our business requirements. The refurbishment will ensure optimal utilization of the acquired space and provide a modern, functional, and collaborative working environment for our employees. The estimated cost of ₹169.58 lakhs has been arrived at based on quotations received from third-party vendors, a summary of which is provided below.

(Amt in Lakhs)

BOQ for Encompass Design India Limited, 9th Floor, Simba Tower, Goregaon					
SUMMARY FOR INTERIOR WORK					
Sr No	Description	BOQ Amount			
A	Dismantling & Demolition Works	4.03			
B	Civil & Plumbing Works	11.54			
C	Ceiling Works and Wall Finishes	6.22			
D	Carpentry Works	35.23			
E	Electrical Works	12.60			
F	Miscellaneous	22.58			
G	HVAC	8.35			
Subtotal		100.55			
	GST at 18%	18.10			
H	Electronics, Appliances & Equipments	24.61			
TOTAL		143.26			
	Contingency @ 10%	14.33			
	Design and Supervision Fees	12.00			
GRAND TOTAL		169.58			
Sr No	Description	Unit	Qty	Rate	Amount
A	Dismantling & Demolition Works				
1	Demolition of existing brick walls, bathrooms and pantry	LS	1	3,75,000.00	3.75
2	Carting away Debris and unwanted Scrap Material from Site (As per actuals)	No.	5	5,500.00	0.28
	Total for A				4.03
B	Civil & Plumbing Works				
1	Erecting new wall in 4" thk. siphorex block	Sft	220	175.00	0.39
2	P/F internal plaster for new wall on both sides	Sft	1520	95.00	1.44

3	Providing 2"-3" PCC	Sft	1700	110.00	1.87
4	Providing IPS over PCC for smoothening the surface	Sft	400	85.00	0.34
5	Providing brick bat coba in bathrooms	Sft	95	185.00	0.18
6	Providing water proofing in bathroom floors and walls upto 2'	Sft	240	140.00	0.34
7	P/F vitrified tile flooring and walls	Sft	1200	180.00	2.16
8	P/F granite jambs for doors	Rft	140	375.00	0.53
9	P/F granite wash basin counters	Sft	28	3,150.00	0.88
10	P/F plumbing fittings	Nos	5	28,500.00	1.43
11	P/F WC with internal flush tank, 2-1 bib cock and health faucet	Nos	5	25,000.00	1.25
12	P/F countertop wash basin with pillar cock, waste coupling, bottle trap, angle cock	Nos	5	15,000.00	0.75
Total for B					11.54
C	Ceiling Works and Wall Finishes				
Sr No	Description	Unit	Qty	Rate	Amount
1	Providing and applying Plaster of Paris punning on walls and columns	Sqft	350	45.00	0.16
2	Providing and Applying Plastic Paint to Ceiling	Sqft	2300	40.00	0.92
3	Providing and applying paint to AC ducts	Sqft	600	40.00	0.24
4	Providing and applying Royale paint on walls and gypsum partitions	Sqft	2200	48.00	1.06
5	P/F acoustic false ceiling	Sqft	1000	385.00	3.85
Total for C					6.22
D	Carpentry Works				
1	P/F Double Glass Full height Partition in aluminium section	Sqft	280	700.00	1.96
2	P/F Full height ply and mdf partition in aluminium framework	Sqft	885	385.00	3.41
3	P/F rock wool infill in partition for sound insulation	Sqft	400	30.00	0.12
4	P/F 3" high powder coated aluminium skirting	Rft	225	115.00	0.26
5	P/F ACP skirting along the façade	Rft	110	105.00	0.12
6	P/F display unit	Sqft	84	2,000.00	1.68
7	P/F single leaf 12mm toughened glass door on floor spring	Nos	7	33,500.00	2.35
9	P/F single leaf solid core door finished in laminate on the inside and	Nos	5	23,000.00	1.15
10	P/F Door frames	Nos	7	8,500.00	0.60
11	DB BOX and shutter finished in laminate	Nos	2	38,000.00	0.76
12	Trap doors	Sqft	30	700.00	0.21
13	P/F Modular kitchen with below counter and overhead storage and island counter	LS	1	15,00,000.00	15.00
14	P/F overhead storage in pantry made in prelam board (Mezzanine)	Sqft	12	1,950.00	0.23
15	P/F storage units made in prelam board	Sqft	170	1,950.00	3.32
16	P/F open storage below pantry (Mezzanine)	Sqft	12	1,950.00	0.23
17	P/F reception table	Nos	1	30,000.00	0.30
19	P/F meeting table in plywood and veneer- 10' x 4'	Nos	1	85,000.00	0.85
20	P/F meeting table in metal stand and prelam board top - 3' x 3'	Nos	2	15,000.00	0.30
22	P/F TV unit in open meeting area in prelam board	Sqft	18	1,900.00	0.34
23	P/F back painted glass on the wall in open meeting area	Sqft	24	500.00	0.12
24	P/F pelmet for roller blinds finished in approved laminate	Rft	110	650.00	0.72
25	P/F workstations in metal frame and prelam board top	Nos	6	13,500.00	0.81
26	P/F pedestal below workstations	Nos	3	13,500.00	0.41

	Total for D				35.23
E	Electrical Works				
1	Electrical Works	Sqft	2800	450.00	12.60
	TOTAL for E				12.60
F	Miscellaneous				
1	Roller blinds	Sqft	1250	180.00	2.25
2	P/F motor for blinds	Nos	13	15,000.00	1.95
3	Laminated wooden boarding	Sqft	1400	180.00	2.52
4	Laminated wooden profile - flat patti	Rft	265	95.00	0.25
5	Laminated wooden profile - reducer patti	Rft	75	120.00	0.09
6	Carpet	Sqft	800	120.00	0.96
7	Glass film on doors and partitions	Sqft	240	140.00	0.34
8	Working/ meeting chairs	Nos	27	7,500.00	2.03
9	Dining chairs (Mezzanine pantry)	Nos	12	4,500.00	0.54
10	Dining tables (Mezzanine pantry)	Nos	2	35,000.00	0.70
11	Dining chairs (Studio)	Nos	6	16,500.00	0.99
12	Dining table (Studio)	Nos	1	1,35,000.00	1.35
13	Bed	Nos	1	1,20,000.00	1.20
14	Sofa - 5'	Nos	1	45,000.00	0.45
15	Lounge chairs (Single seater)	Nos	3	25,000.00	0.75
16	Bench in lobby	Nos	1	16,500.00	0.17
17	Coffee tables	Nos	2	15,000.00	0.30
18	Chandeliers	LS	1	80,000.00	0.80
19	Artificial plants	LS	1	85,000.00	0.85
20	Plants	LS	1	30,000.00	0.30
21	Panelling outside main door	Sqft	40	450.00	0.18
22	Logo outside office	Nos	1	35,000.00	0.35
23	BathroomMirror	Nos	5	5,500.00	0.28
24	Toilet accessories	LS	5	12,000.00	0.60
25	Re configuring sprinkler system	LS	1	80,000.00	0.80
26	Material loading and unloading through staircase	LS	1	1,25,000.00	1.25
27	Cleaning	LS	1	35,000.00	0.35
	TOTAL for F				22.58
G	HVAC				
1	8.5TR Ductable machine (Daikin)	Nos	2	1,55,000.00	3.10
2	Lowside	LS	1	5,25,000.00	5.25
	TOTAL for G				8.35
H	Electronics, Appliances & Equipments				
1	Interactive TV	Nos	1	1,25,000.00	1.25
2	HDMI cables and converters	LS	1	50,000.00	0.50
3	Speaker phone in conference area	Nos	1	25,000.00	0.25
4	Printer	Nos	1	45,000.00	0.45
5	Wifi access points	LS	1	1,00,000.00	1.00
6	9U rack + POE switch	LS	1	45,000.00	0.45
7	Refrigerator	Nos	1	1,00,000.00	1.00
8	Cooking hob	Nos	1	65,000.00	0.65
9	Chimney	Nos	1	65,000.00	0.65
10	Microwave	Nos	1	11,000.00	0.11

11	Coffee machine	Nos	1	45,000.00	0.45
12	Oven	Nos	1	85,000.00	0.85
13	Photoshoot equipments (Detailed sheet attached)	LS	1	17,00,000.00	17.00
TOTAL for F					24.61

Notes

1. The Quotation dated May 26, 2025 has been obtained by our Company from PCM Interiors. The above-mentioned quotation is valid till 31st December 2025.
2. Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, there can be no assurance that the same vendor would be engaged at the time of actual expenses. We have not entered into any definitive agreements with the vendor.
3. Vendor is not related to the Promoter, Directors, SMP and KMPs in any manner.

2. Funding of Working Capital Requirement of the Company

Our Company is engaged in the manufacturing of home furnishing products, including bedsheets, curtains, comforters, pillow covers, and other related textile products. The nature of our operations requires maintaining adequate levels of raw materials, work-in-progress, and finished goods inventory to ensure uninterrupted production and timely delivery to customers. Further, as part of our regular business cycle, a substantial portion of our working capital is also deployed towards inventory and trade receivables.

We have significant working capital requirements in the ordinary course of our business, which are presently funded through internal accruals and borrowings from banks, financial institutions, and others. The working capital requirement of our Company has increased from ₹367.34 lakhs in FY 2022-23 to ₹550.38 lakhs in FY 2024-25, primarily due to growth in our revenue from operations from ₹2,162.47 lakhs in FY 2022-23 to ₹5,464.94 lakhs in FY 2024-25 and higher scale of manufacturing operations.

Based on management's internal estimations and keeping in view the expected growth in demand, our working capital requirement for FY 2025-26 and 2026-27 is estimated at ₹962.69 lakhs and 1,130 lakhs respectively. Accordingly, our Company proposes to utilize up to ₹375.00 lakhs in the financial year 2025-26 and ₹354.42 lakhs in the financial year 2026-27 from the Net Proceeds of the Fresh Issue towards funding the working capital requirements of the Company in the ordinary course of business. The balance working capital requirement will be met from internal accruals and/or borrowings at an appropriate time as per business needs.

The proposed investment in working capital will enable us to support higher production volumes, strengthen our supply chain, and meet the growing market demand efficiently, thereby facilitating the overall growth of our operations.

Basis of estimation of Working Capital Requirements

Details of Company's past working capital requirement for the financial year 2022-23, 2023-24, 2024-25 from the restated financials information and future working capital requirement as estimated by our management through a board resolution dated October 27, 2025 for the financial year 2025-26 and 2026-27 the source of their funding, as set out in the table below:

<i>(₹ in lakhs)</i>						
Sr. No.	Particulars	Actual	Actual	Actual	Projected	Projected
		As at March 31, 2023	As at March 31, 2024	As at March 31, 2025	As at March 31, 2026	As at March 31, 2027
I	Current Assets					
	Inventories	1,286.13	509.38	1,086.87	1,304.25	1,400.00
	Trade receivables	235.48	476.94	894.25	1,028.39	1,080.00
	Short Term Loan & Advances	-	-	-	-	-
	Other Current Assets	131.23	175.25	221.78	255.05	200.00
	Total (A)	1,652.84	1,161.57	2,202.91	2,587.69	2,680.00
II	Current Liabilities					
	Trade payables	679.42	141.05	90.74	515.00	300.00
	Short term Provisions	2.10	54.10	281.34	335.00	300.00
	Other current liabilities	603.98	179.01	163.20	275.00	500.00
	Short term borrowing (other than Bank)	-	3.80	1,117.25	500.00	450.00
	Total (B)	1,285.50	377.96	1,652.53	1,625.00	1,550.00

III	Total Working Capital Gap (A-B)	367.34	783.60	550.38	962.69	1,130.00
IV	Funding Pattern					
	Short Term Borrowings	30.16	208.35	-	-	-
	Internal Accruals	337.18	575.25	550.38	587.69	775.58
	IPO Proceeds	-	-	-	375.00	354.42

Note: The estimated working capital requirement is duly certified by M/s V. K. BESWAL & ASSOCIATES, Chartered Accountants vide certificate dated October 28, 2025.

As the object of Issue is Working Capital Requirement and the amount raised for the said object exceed five crore rupees, the issuer shall submit a certificate of the statutory auditor to NSE Emerge while filing the quarterly/half yearly financial results, for use of funds as working capital in the same format as disclosed in offer document, till the proceeds raised for the said object are fully utilized.

Key assumptions for working capital projections made by the Company:

Particulars	Basis	Actual	Actual	Actual	Projected	Projected
		As at March 31, 2023	As at March 31, 2024	As at March 31, 2025	As at March 31, 2026	As at March 31, 2027
Current Assets						
Inventory Days	Cost of Material Consumed	306	176	110	134	127
Trade Receivable Days	Revenue from Operations	42	32	46	54	49
Current Liabilities						
Trade Payables Days	Total Purchase	131	150	14	31	35

Justification for “Holding Period” levels derived from our Restated Financial Statements

S. No.	Particulars
Current Assets	
Inventory Days	<p>Inventory holding days were 306 days in FY 2022-23, as the company had built up higher inventory levels during the initial phase of operations to ensure uninterrupted supply and meet anticipated demand. The holding period reduced to 176 days in FY 2023-24, mainly due to faster inventory turnover and realignment of stock levels with actual demand. In FY 2024-25, inventory holding days further declined to 110 days, reflecting optimum utilization and improved management of stock levels. Inventory days have increased from 110 days in FY 2025 to 134 days in FY 26 and 127 days in FY 27, primarily due to the following reasons:</p> <p>1. Higher Sales Volume and Stock Level To support increased sales volumes, the company has maintained higher inventory levels to ensure business continuity and prevent supply chain disruptions. This proactive approach minimizes the risk of stockouts and ensures smoother operations, particularly in fast-moving product categories where demand fluctuations are frequent.</p> <p>2. Adaptability to Customer Trends and New Collections In the brand segment (Quirkloom, Stoa Paris, and Small Batch), inventory management remains closely aligned with fast-evolving customer preferences and fashion trends. The introduction of new collections and SKUs necessitates maintaining a broader range of inventory to cater to market dynamics and product variety.</p> <p>The marginal change in inventory days reflects strategic business decisions intended to sustain growth, enhance customer satisfaction, and maintain responsiveness to changing market conditions</p>
Trade Receivables Days	Trade receivable days stood at 42 days in FY 2022-23, mainly due to the standard credit period

	extended to customers during the year. The period reduced to 32 days in FY 2023-24, primarily due to improved collection efficiency and timely realization from customers. In FY 2024-25, trade receivable days increased to 46 days due to higher credit extended to customers during the year. Receivable days have increased from 46 days in FY 2025 to 54 days and 49 days in FY 2026 and FY 2027, respectively. The increase is mainly attributable to the extension of credit terms to customers to strengthen business relationships and support higher sales volumes. Additionally, frequent additions to the customer base, each with distinct credit requirements, have influenced this trend. On average, receivable days remain in the range of 40-50 days, reflecting the company's flexible credit management practices and its adaptive approach to evolving market and customer dynamics.
Current Liabilities	
Trade Payables	<p>Trade payable days were 131 days in FY 2022-23, 150 days in FY 2023-24, and reduced significantly to 14 days in FY 2024-25. The higher payable levels in the initial years were due to the Company's early growth phase, during which higher quantities of raw materials and finished goods were procured to build up inventory and support business expansion. The significant reduction in FY 2024-25 was primarily on account of accelerated payments to suppliers, supported by improved liquidity and fund inflow from internal accruals and short-term borrowings.</p> <p>For FY 2025-26 and FY 2026-27 trade payable days are expected to increase to around 31 days and 35 days respectively, primarily due to normalization of supplier credit terms and efficient utilization of available credit facilities in line with growing purchase volumes. This moderate rise represents a return to standard credit practices, ensuring optimized cash flow management and a balanced working capital cycle.</p>

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, short term provisions and other current liabilities. Details of which are given below:

Cash and Bank Balance	The company's cash and bank balances, comprising cash in hand, balances in current accounts, and balances in deposit accounts, represent key components of its available liquidity for day-to-day operations. Cash and Cash Equivalent balance is Estimated based on previous years outstanding amount and for expected Business requirement of company.
Other Current Assets	Other Current Assets mainly include Interest accrued on deposits and Security Deposits. Other Current Assets is for expected Business requirement of company. Other Current Assets is estimated based on previous year's outstanding amount and for expected Business Requirement of company.
Other Current liabilities	The company's current liabilities include statutory remittances payable, security deposits, advances from customers, and salary and wages payable, representing obligations and funds received in advance that are to be settled in the ordinary course of business.
Short Term Provisions	The company's provisions include income tax, diminution in value of inventory and investments, provision for interest expense, and gratuity. short term provision is estimated based on previous year's outstanding amount and for expected Business requirement of company.

Justification for working capital Purpose

In FY 2026 and 2027, our working capital requirements are expected to increase, driven by higher sales and transaction volumes. As business operations expand, additional funds will be required to manage inventory and support day-to-day business needs. The increase in working capital is primarily attributable to higher inventory levels resulting from the growth in our manufacturing and trading activities.

Our Company is engaged in the manufacturing of bed sheets, curtains, comforters, and other home décor products, as well as the trading of fabrics and bio-products. In this business, maintaining adequate inventory levels is essential to ensure continuous production, meet seasonal demand, and maintain timely supply to customers.

During FY 2022–23, FY 2023–24, and FY 2024–25, our Inventory Holding Days were 306 days, 176 days, and 110 days, respectively. The decline over the years reflects improved inventory management, efficient production planning, and better alignment between manufacturing output and sales demand. However, with the expected growth in operations, product

diversification (New SKU's launch), the Company anticipates a requirement for additional working capital to sustain higher inventory levels and ensure smooth business operations.

On the payables side, the Company continues to align credit terms with suppliers in line with industry practices while maintaining favorable terms where possible. These factors collectively highlight the need for enhanced working capital to support business growth and operational efficiency.

3. Repayment of Loan

As on July 16, 2025 our outstanding fund-based borrowings from all the borrowings of the company were amounted to ₹1588.09 lakhs. Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company include borrowing in the form of, inter alia, Cash credit facility from various lenders. For further details, see ***“Financial Indebtedness”*** on page 234.

Our Company in its Board Meeting dated July 16, 2025 proposes to utilise an estimated amount of ₹1100 lakhs from the Net Proceeds towards full or partial repayment of cash credit facility, listed below, availed from the Bank of Maharashtra Limited and Union Bank of India Limited by our Company. We believe that such repayment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

S. No	Name of the lender	Nature of borrowing	Date of the sanction letter(s)	Voluntary pre payment penalty	Tenor	Repayment schedule	Rate of Interest (% per annum)	Amount Sanctioned (in ₹ Lakhs)	Total outstanding amount As of July 16, 2025 (in ₹ Lakhs)	Expected repayment from Net Proceeds (in ₹ Lakhs)	Purpose of Loan
1.	Bank of Maharashtra	Cash Credit	August 16, 2024	Nil	12 months	Repayable on demand	11.15%	500.00	500.00	500.00	Working capital
2.	Union Bank of India	Cash Credit	June 09, 2025	Nil	12 months	Repayable on demand	8.75%	600.00	600.00	600.00	Working capital
	Total							1100.00	1100.00	1100.00	

Notes:

- The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated July 18, 2025.
- In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated July 18, 2025 from the Statutory Auditors, certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed by us.

4. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- funding growth opportunities;

- b) servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- c) capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- d) working capital;
- e) meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- f) strategic initiatives and
- g) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Red Herring Prospectus, shall not exceed 15% of the amount raised by our Company through this Issue or Rs. 10 crores whichever is less.

ESTIMATED ISSUE RELATED EXPENSES

The details of the estimated issue related expenses are tabulated below:

(₹ in Lakhs)

Particulars	Amount*	As a % of Estimates Issue Expenses*	As a % of Issue Size*
Book Running Lead Manager Fees including underwriting commission	[•]	[•]	[•]
Brokerage, selling, commission and upload fees	[•]	[•]	[•]
Registrar to the Issue	[•]	[•]	[•]
Legal Advisors	[•]	[•]	[•]
Advertising and Marketing expenses	[•]	[•]	[•]
Regulators including stock exchanges	[•]	[•]	[•]
Printing and distribution of offer stationery	[•]	[•]	[•]
Others, if any (market making, depositories, marketing fees,	[•]	[•]	[•]
Total	[•]	[•]	[•]

APPRAISAL

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

BRIDGE LOANS

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 of the Issue.

MONITORING OF UTILIZATION OF FUNDS

As per Regulation SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the requirement to appoint a monitoring agency is not applicable for public issues where the issue size does not exceed ₹50 crore.

However, pursuant to the requirements specified by NSE Limited (the "Stock Exchange") in its in-principle approval for the proposed issue, our Company has voluntarily appointed a monitoring agency for overseeing the utilisation of the proceeds of the Issue.

[●] has been appointed as the monitoring agency to monitor the utilisation of the Net Proceeds of the Issue. The monitoring agency shall submit its report to our Company in accordance with Regulations of the SEBI ICDR Regulations and such reports shall be placed before the Audit Committee and the Board of Directors of our Company and shall be disclosed on our Company's website and to the Stock Exchange.

The Monitoring Agency Appointed is as follows:-

Name :- [●]

SEBI Registration No:- [●]

Expiry Date of Registration:- [●]

Corporate Address:- [●]

Contact Person:- [●]

Telephone- [●]

Website- [●]

Email – [●]

INTERIM USE OF FUNDS

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 and in liquid Mutual Fund, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

VARIATION IN OBJECTS

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice offered 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 our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

There is no proposal whereby any portion of the Net Proceeds will be paid to Our Promoters, Promoter Group, Directors and Key Managerial Personnel, Group Companies, except in the ordinary course of business and in compliance with applicable law. Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with Our Promoters, Promoter Group, Directors Group Companies, and/or Key Managerial Personnel.

SECTION-VIII
ABOUT THE COMPANY
OUR BUSINESS

On Page no. 130 of the DRHP under the heading “Strengths-” we shall update the Following:-

STRENGTHS

1. Strong Brand and Innovative Products

The Company operates a portfolio of premium brands across two high-growth consumer categories—Home & Living and Gourmet Food & Beverages. Each brand is differentiated by product innovation and clear focus on what customers want:

- **Stoa Paris:** Offers premium home textiles with special innovations like Ultra Satin, a fabric designed to be gentle on skin and hair, making it different from regular options. Such features allow us to charge premium pricing while building repeat customer engagement.
- **Quirkloom:** The product design teams watch trends in subcultures, such as reading, travel, sports, and music, to create in-the-moment designs that cater to fans of these young generation.
- **Small Batch:** Focuses on small-batch gourmet products made from high-quality ingredients and chef-developed recipes, appealing to health-conscious and quality-focused consumers.

By focusing on new ideas and quality, we make our brands easy to remember and keep customers coming back, even in competitive markets.

2. Agile and Scalable Business Model:

Our business model is designed for flexibility and rapid scaling:

In Home & Living, we manage in-house design and core manufacturing (cutting and stitching) to control quality and time.

For Gourmet Food & Beverages, the Company develops recipes internally and partners with cloud kitchens and kitchen specialists to execute small-batch production, enabling us to scale up or down based on demand.

Warehousing and logistics are centralised and optimised, supporting both segments with integrated operations for efficient inventory turnover and reduced lead times.

This structure enables the Company to respond swiftly to demand changes, launch seasonal or limited-edition SKUs, and scale profitably.

3. Experienced Leadership and Business Synergies:

The Company's leadership team brings decades of hands-on experience in key areas like branding, retail, online marketing, supply chain, and technology. Mr. Amit Dalmia, Chairman & Managing Director, has over 27 years of experience in technology, digital business, and building strong brands. Mrs. Susmita Dalmia, Whole-Time Director, has more than 20 years of expertise in product design, planning, and tech. Mr. Ruman Agarwal, also a Whole-Time Director, brings 19 years of experience in digital marketing, product strategy, and e-commerce operations. Mr. Yogendra Vashishta, Chief Strategy Officer, has nearly 38 years of experience in branding and creative strategy, having held senior positions at well-known companies like Reliance and VIP Industries. This combined experience helps the Company stay innovative, run smoothly, and grow steadily.

The Company benefits from operational synergies through shared infrastructure for warehousing, logistics, and procurement across its brands, leading to improved efficiency and cost optimisation. The leadership team brings cross-industry experience from sectors such as textiles, FMCG, and lifestyle, which supports faster product development and streamlined market entry. Technology plays a key role in execution, with the use of tools like warehouse management systems (WMS), demand planning platforms, and SKU-level performance tracking to enable informed, timely decision-making. These elements collectively

support scalable operations while maintaining a lean and agile business model.

4. Technology and Data Capabilities:

Technology is embedded across the Company's operations, enabling real-time insights, inventory accuracy, and scalable growth.

- Custom-built D2C websites for each brand offer complete track over customer experience and drive direct sales.
- Sales and operations data are tracked across platforms using tools like Metorik (D2C analytics) and Unicommerce (WMS), allowing for:
 - Real-time inventory tracking.
 - SKU-level sales insights.
 - Dynamic pricing and campaign optimisation.
- AI and Automation Tools are used across product development, marketing, and demand forecasting—improving operational efficiency and campaign performance.
- Inventory management follows a FIFO methodology, integrated with real-time order systems, ensuring freshness (for F&B) and minimal inventory loss.

This technology-led approach ensures tight control over working capital, enables data-backed planning, and improves the scalability of operations across both verticals.

On Page no. 130 of the DRHP under the heading “Strategies” we shall update the Following:-

STRATEGIES

1. Structured Brand Building and Scaling

We follow a clear, data-driven approach to building and growing our brands. This process begins with identifying unmet needs among premium Indian consumers and developing differentiated products and brands that address those gaps. These are validated through a combination of customer feedback, repeat purchases, and marketing performance indicators, ensuring a strong product–market fit.

Once validated, we grow the brand by following a clear plan that includes launching new products based on consumer preferences, seasonal demand, and changing lifestyle trends. For example, under Stoa Paris, we have introduced premium collections targeting wedding trousseau gifting, while in Small Batch, we launched the Dailies range—including Pizza & Pasta Sauce, Honey Mustard, and Barbeque Sauce—to cater to high-frequency use occasions. We continue to invest in building our brands by sharing stories online, working with influencers, and teaming up with chefs and designers to connect better with our customers.

We follow a clear step-by-step process for product development—starting with recipes created by chefs, followed by small-batch testing and multiple tastings until the final version is approved. This ensures we deliver consistent quality, even at scale.

With strong digital marketing and multi-channel sales experience, we're able to bring products to market quickly and grow our brands in a smart, cost-effective way.

2. Multi-Channel Distribution for Wider Reach

The Company adopts a multi-channel distribution strategy designed to maximise consumer access and brand visibility. Its products are sold through high-performing direct-to-consumer (D2C) websites that enable brand storytelling and customer engagement. The Company also maintains a strong presence across leading e-commerce marketplaces such as Amazon, Nykaa Fashion, and Myntra.

In addition, the Company works with special private marketplaces linked to loyalty and rewards programs to reach focused groups of customers who are more likely to buy. These channels help the Company clear stock quietly, lower the cost of getting new customers, and reduce returns from customers.

To further enhance reach, the Company is actively exploring offline expansion through premium retail collaborations, curated pop-up stores, and corporate gifting channels.

3. Data-Led Marketing and Brand Growth

The Company adopts a performance-driven, data-led approach to brand building and customer acquisition. Digital advertising is executed across major platforms such as Google and Meta, with continuous optimisation based on real-time data to improve return on ad spend (ROAS). In addition to paid marketing, the Company leverages influencer collaborations and content marketing to enhance brand engagement and trust. Personalised communication strategies, including targeted email and Whats app campaigns, are used to strengthen customer relationships, drive repeat purchases, and increase customer lifetime value (CLV). The marketing strategy is further supported by analytics tools that segment audiences and measure campaign effectiveness, enabling efficient scaling of brand performance across channels.

4. Continuous Innovation and Portfolio Expansion

The Company follows a strategy of continuous product innovation to meet evolving consumer preferences and increase market penetration. New products are introduced on a consistent basis, such as mango-based seasonal sauces under the Small Batch brand and trend-led design collections under Stoa Paris. Consumer insights and market trends are used to identify high-potential product opportunities that align with premium positioning and pricing. The Company is also expanding into adjacent categories of products— for example, introducing dinnerware under Stoa Paris and food honey under Small Batch — to enhance customer engagement and drive cross-category growth. Backed by a flexible supply chain and efficient operational setup, the Company is able to scale new product launches rapidly without compromising on quality or brand consistency

On Page no. 131 of the DRHP under the heading “Manufacturing and Sales Through Brands” we shall update the Following:-

Online Business through prominent E-commerce platforms

Our products are sold through most popular and commonly used e-commerce trading platforms such as Amazon, Myntra, Nykaa Fashion, and other leading platforms. These virtual store fronts are designed with the intention of providing customers a positive shopping and brand experience, showcasing our products in an easy-to-navigate format, allowing consumers to browse from our varieties of products. In our experience, these virtual stores provide an efficient and effective E- distribution channel, which has proven to be a convenient option for our customer.



AMAZON	MYNTRA	NYKA FASHION
Stoa Paris		
https://www.amazon.in/stores/stoaparis/page/AB198F00-7B5F-49F2-834A-272B14F46787	https://www.myntra.com/stoa-paris-bedsheets	https://www.nykaafashion.com/designers/stoa-paris/c/71776
QuirkLoom		

https://www.amazon.in/s?k=quirkloom+bedsheet&crd=35IYE113EVCB9&spre fix=quirkloom+%2Caps%2C280&ref=nb_sb_ss_mvt-t11-ranker_2_10	https://www.myntra.com/quirkloom-bedheet?rawQuery=quirkloom%20bedheet	https://www.nykaafashion.com/designers/quirkloom/c/71778?q=quirkloom&searchType=ManualSearch&internalSearchTerm=quirkloom&typedSearchTerm=quirkloom
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On Page no. 136 of the DRHP under the heading “Small Batch” we shall update the Following:-

Small Batch

Small Batch is our in-house premium brand offering a curated range of sauces and condiments crafted for customers who enjoy gourmet flavours at home. Built on the pillars of quality, taste, and authenticity, Small Batch is designed to bring restaurant-style experiences to everyday kitchens.

From market research and recipe development with expert chefs, to sourcing high-quality ingredients and ensuring trusted production practices, every step of the product journey is closely managed by our team. Each product is crafted in small batches, maintaining the highest standards of consistency, safety, and flavour.

We oversee the entire process—from bottling and packaging to quality checks, ensuring product integrity, traceability, and compliance with regulatory norms. Our goal is to create products that not only meet premium quality benchmarks but also enhance the everyday cooking experience for our customers.

The brand is positioned as a premium, small-batch offering targeting urban, upper-middle-class and affluent consumers, including food enthusiasts and home cooks seeking gourmet experiences. Key customer segments include \ marketplace users on platforms such as Amazon, corporate clients for gifting, and hospitality partners for bulk orders.







The Company adopts a multi-channel distribution strategy. It operates a Direct-to-Consumer (D2C) platform via its own website and distributes through curated e-commerce marketplaces like Amazon, Myntra and Nyka Fashion. Seasonal corporate gifting and B2B sales are also integral to its distribution model.

Marketing initiatives are focused on brand storytelling through chef-led content, behind-the-scenes production insights, and digital engagement. Social media platforms are leveraged to drive consumer interaction, with emphasis on recipe inspiration and usage suggestions. The Company’s competitive edge lies in its chef-driven product development, agility in launching new flavours, and commitment to design-led packaging and authentic ingredient sourcing, distinguishing it from conventional mass-market FMCG products.

Through Small Batch, we reflect our commitment to innovation, superior taste, and delivering value to the modern, discerning consumer.

We offer a wide variety of sauces that cater to different tastes and preferences:

- 1. Seasonal Batches:** These are special edition sauces made in small batches using the best seasonal ingredients. For example, our Mango Mustard is made using fresh mangoes during the mango season.
- 2. Gourmet Sauces:** These are premium quality sauces prepared by expert chefs. They are suitable for both cooking and dipping, made to offer a rich and flavourful experience. An example is our Crispy Chilli Oil.
- 3. Signature Honeys:** This is a unique range of honey blended with Arabica coffee and made from 100% organic forest honey. These are specially crafted to offer a distinctive taste.
- 4. Red Hot Batch:** This is our spiciest sauce collection. It offers bold and fiery versions of classic flavours, made for those who enjoy strong and hot tastes

<p>Bean Infused Crispy Chilli Oil</p> 	<p>Bhavnagri Chilli Mango Salsa Sauce</p> 	<p>Umami Thai Chilli Basil Sauce</p> 
<p>Chilli-Kissed Mango Hot Sauce</p> 	<p>Dark Roast Vanilla Coffee Honey</p> 	<p>The Red Hot Curation</p> 

On Page no. 137 of the DRHP under the heading “Manufacturing process steps” we shall update the Following:-

The process flow for production of our Bed Sheets, Comforters & Duvets, Curtains, Pillow Covers, Table Linen consists of the following stages:

1. **Production Planning and Merchandising:** Production Planning and Merchandising is a crucial function that ensures manufacturing aligns with customer demand while maintaining lean inventory levels. It begins with accurate sales forecasting, using historical data, market trends, and seasonal analysis to estimate future demand. Based on this, collections are planned to match consumer preferences across key seasons such as summer, festive, and winter. Production capacity is then strategically allocated across internal teams to balance order volumes with delivery timelines. Each stage of the workflow—cutting, sewing, pressing, and finishing—is scheduled in advance based on internal purchase orders to optimize efficiency and throughput. Simultaneously, coordination with external vendors and job workers is initiated early to ensure the timely supply of raw materials and smooth execution of production and delivery, resulting in an agile, demand-driven production system.
2. **Raw Material Procurement:** Raw Material Procurement is a foundational stage in the production cycle that ensures the timely availability of high-quality inputs while controlling costs to maintain profitability. The process begins with identifying and shortlisting reliable, approved suppliers for key materials such as fabrics, dyes, and printing services. These vendors are selected based on their ability to meet quality standards, consistency, and delivery capabilities. Once suppliers are identified, the development of samples—including lab dips for dyed fabrics (Small swatches of dyed fabric created to test and approve the exact color before bulk dyeing begins) and strike-offs for prints (Strike-offs are sample prints of a design used to check color accuracy and how the final print will look before full production). —is initiated to match the exact product specifications. These samples undergo a thorough approval process to ensure alignment with design requirements before any bulk orders are confirmed. Contracts are then finalized through negotiations that define minimum order quantities (MOQs), pricing structures, and agreed delivery timelines. A detailed cost structure is built, factoring in the cost of fabric, dyeing or printing, trims, stitching, pressing, labor charges for

processing, packaging, and overheads such as logistics and warehousing. This comprehensive costing approach ensures that the final selling price supports both market competitiveness and profit margins.

3. **Processing into Finished Product:** Processing into Finished Product begins after raw materials are procured and approved, involving the inspection of fabrics and their conversion into finished garments. Fabric is first checked for quality before moving to the cutting stage, where manual cutting machines are used to cut the fabric into required dimensions. The cut pieces are then sewn according to technical guidelines. Quality control is conducted during and after each stage, including checks for cutting accuracy, stitching strength, and finishing neatness. During packing, labels, barcodes, and price tags are affixed to ensure compliance and SKU traceability. A final quality check is conducted to ensure the finished goods meet customer expectations before dispatch.
4. **Quality Assurance:** Quality Assurance is a critical phase that ensures all materials and finished products comply with both technical specifications and consumer expectations before being released for packaging and dispatch. This step primarily involves the physical testing of fabrics to verify their durability and performance. Key testing parameters include examining fabric construction by assessing yarn quality and measuring the weight in GSM, checking shrinkage levels after washing, evaluating pilling resistance, and testing colour fastness against washing, rubbing, and exposure to sunlight. These rigorous tests are essential to maintaining consistent product quality and preventing post-sale issues. As part of the release protocol, only fabric lots and finished goods that successfully pass all quality assurance tests are approved for the final stages of packaging and dispatch.
5. **Packing:** Packing ensures product protection and reinforces brand identity using sustainable, practical, and cost-effective materials like polybags, boxes, inserts, and labels. Packaging choices reflect brand aesthetics—Stoa Paris uses premium, minimal designs, while Quirkloom features bold, vibrant packaging.
6. **Marketing:** Marketing efforts are strategically designed to drive awareness and demand for each collection through carefully planned monthly sales targets across all brands and digital platforms. Marketing calendars are aligned with product launches to ensure timely and impactful promotions. Budgets are allocated based on projected returns, focusing on high-performing channels such as paid advertisements on Meta and Google, influencer collaborations, and organic social media content. Campaign performance is continuously monitored using key metrics like Return on Ad Spend (ROAS), Customer Acquisition Cost (CAC), and conversion rates, with real-time optimisation to improve efficiency. While digital marketing remains the primary focus, the company also engages in selective offline activities such as pop-up events to enhance brand visibility.

Marketplace performance is optimized by refining keywords, maintaining pricing parity, and tracking competitors to stay competitive and maximize reach.
7. **Order Placement & Processing:** Order Placement and Processing is a critical backend operation focused on ensuring smooth, accurate, and timely fulfilment of customer orders across all sales platforms. Uncommerce syncs inventory with Shopify. At the time of checkout, the latest inventory sync happens. Uncommerce also blocks inventory for the D2C website, so if stock goes below 4 units, it will be shown as Out of Stock on Amazon, Myntra, etc., and only be available on the D2C site. Once captured, each order undergoes a validation process that includes address verification, fraud detection, and payment reconciliation in coordination with the finance team to ensure legitimacy and accuracy. Orders are then prioritized and scheduled for dispatch based on the committed delivery timelines, allowing for efficient logistics planning. Additionally, continuous monitoring of the checkout process, customer behaviour, and cart abandonment trends provides insights for optimizing conversion rates and improving the overall order processing experience.
8. **Warehousing & Shipping:** Warehousing and Shipping involve closely managing inventory and logistics to ensure timely, efficient deliveries while controlling costs. Inventory levels for all active SKUs are continuously monitored through a real-time Warehouse Management System (WMS), which tracks stock movement and triggers replenishment based on sales velocity to prevent stockouts or overstocking. Warehouse operations are streamlined for fast and accurate picking and packing, incorporating quality control checkpoints to maintain product standards. Shipping partners are carefully managed, with their regional delivery performance and costs regularly evaluated to optimize logistics. Any delays or exceptions in delivery are proactively communicated to customers, fostering transparency and building trust. This integrated approach ensures deliveries are both timely and cost-effective.
9. **Post-Sale Support:** Post-Sale Support is designed to provide prompt and effective customer service, ensuring quick resolution of queries through well-structured support systems. Customer support tickets are regularly analyzed to identify recurring issues, enabling root-cause analysis that helps address underlying problems related to product design or quality. Data from returns is carefully reviewed to inform improvements in both product development and quality assurance. Additionally, customer reviews and satisfaction metrics are continuously monitored, creating a feedback loop that drives ongoing enhancements in service, product

quality, and customer retention. This comprehensive approach builds trust and strengthens long-term relationships with customers

The process flow for production of our SmallBatch products consists of the following stages:

Process flow steps:

1. **Market Study & Product Development:** Market Study and Product Development focuses on analyzing market dynamics and customer preferences to identify demand opportunities. This involves gathering consumer insights through trend tracking, competitor benchmarking, and regional taste studies. The market potential is evaluated by defining target segments, pricing strategies, and distribution channels. Based on these insights, a product development strategy is formulated, specifying the product type, flavor profile, pricing, brand story, and technical requirements such as shelf life, packaging, nutrition, and batch volumes. This structured approach ensures new products align with market needs and consumer expectations.
2. **Recipe Development and Tasting:** Recipe Development and Tasting involves collaborating with specialized chefs to transform a product idea into a consistent, authentic recipe ready for large-scale production. The process begins with selecting the right culinary partners, establishing intellectual property ownership, and defining quality standards. Base recipes are created using authentic ingredients and carefully documented to ensure accuracy. These recipes are then scaled up to commercial batch sizes. Multiple tasting trials are conducted, starting with internal panels and followed by iterative feedback sessions with the chefs, allowing for continuous refinement. The objective is to finalize an approved, scalable master recipe that maintains authenticity and consistency, ensuring the product is production-ready.
3. **Raw Material Procurement & Quality Assurance:** Raw Material Procurement and Quality Assurance focuses on securing high-quality raw materials promptly to support production schedules. Purchase orders are aligned with marketing and launch plans to maintain appropriate inventory levels based on demand trends. Strong supplier relationships are developed to ensure reliable, long-term collaboration. Upon arrival, all materials undergo thorough quality inspections, including laboratory tests for nutritional content and shelf-life validation, to verify compliance with product specifications. This process ensures that only materials meeting required standards are used in production, supporting both timely manufacturing and product quality.
4. **Production & Manufacturing with Kitchen Partner:** Production and Manufacturing with Kitchen Partner involves executing controlled, traceable small-batch cooking in collaboration with external kitchen partners. Scheduling is done jointly, based on demand forecasts and raw material availability, to ensure smooth operations. Each batch is carefully planned with assigned lot numbers and documentation of involved personnel, ensuring full traceability. The cooking process follows standardized operating procedures (SOPs), with pre-production checks and in-process quality controls to maintain consistency and compliance. Environmental factors such as temperature and hygiene are strictly monitored to meet food safety standards. Critical control points like pH and cooking temperature are tracked throughout the process, and detailed logs are maintained for every batch. This ensures the final output meets all in-process specifications and is ready for the next stage.
5. **Quality Assurance & Testing:** Quality Assurance and Testing ensures that only fully compliant batches proceed to packaging. Each production batch undergoes thorough evaluation, beginning with physical inspections to assess visual consistency, texture, and absence of defects. This is followed by chemical analysis to verify nutritional content and ensure preservative levels meet defined specifications. Sensory evaluations are conducted by a tasting panel to assess flavor and overall quality, after which final approval is granted by a chef or quality manager. Once a batch meets all criteria, it is officially released for packaging, with all results documented and inventory records updated to maintain traceability. This process guarantees that only quality-verified products move forward in the supply chain.
6. **Bottling & Packaging:** Bottling and Packaging focuses on preparing finished goods that are safe, shelf-stable, and compliant with regulatory standards. The process begins with the inspection and sanitisation of jars and packaging materials to ensure hygiene. Labels are then applied and verified for accuracy, including regulatory information. Using calibrated equipment, sauces are filled into jars with consistent fill levels, followed by secure sealing to maintain product stability. The jars are then placed in protective secondary packaging, with any promotional inserts and shipment labels added as required. A final inspection is conducted to confirm packaging integrity and readiness for distribution.
7. **Storage & Inventory Management:** Storage & Inventory Management makes sure finished products are stored safely and are easy to track. Items are kept in clean, temperature-controlled warehouses to protect their freshness and shelf life. Products are

arranged by type and managed using the First-In-First-Out (FIFO) method so that older stock is used first. A digital system (WMS) keeps real-time records of stock and connects with all online sales platforms to avoid over-selling. Each batch is labeled for easy tracking, and regular checks are done to make sure physical stock matches system records. If any items are damaged or expired, they are removed right away. Inventory planning is based on past sales and seasonal demand to avoid overproduction and shortages.

8. **Quality Management & Continuous Improvement:** Quality Management & Continuous Improvement focuses on consistently enhancing product and process performance through a structured approach. A formal quality management system is in place, with version-controlled recipes, updated standard operating procedures (SOPs), and detailed documentation to maintain consistency. Customer feedback is regularly reviewed to identify areas for improvement in both products and operations. Efforts are made to optimise production processes, reduce costs, and introduce innovations—such as seasonal product variations and process upgrades—to improve efficiency and stay competitive. This ongoing approach ensures that quality standards are upheld while adapting to market needs and operational goals.

On Page no. 137 of the DRHP under the heading “Trading and Gated Market” we shall update the Following:-

TRADING AND GATED MARKET

The Company operates two distinct and independently managed business verticals under this section: Trading and Gated Markets. These verticals are operationally segregated from the Company’s owned Direct-to-Consumer (D2C) brand portfolio, which includes Stoa Paris, Quirkloom, and Small Batch. Each vertical contributes separately to the Company’s revenue mix and leverages unique strengths in sourcing, logistics, and market access.

- Trading

The Trading Business focuses on the procurement and distribution of agro byproducts and textile fabrics. The Company follows a lean operational model, with centralized management based at the head office in Mumbai. Sourcing and logistics are decentralized across key production hubs, enabling efficient supply chain management and ensuring responsiveness to dynamic market demands.

1. Agro Byproducts Segment

In this segment, the Company directly procures agricultural residues and byproducts, mainly from farmers in Punjab or through trusted intermediaries. This business focuses on eco-friendly fuel alternatives with the following products:




- Mustard Husk (~2800 kcal/kg calorific value)
- Mustard
- Maruti Twine
- Cotton Straw (~2800 kcal/kg calorific value, ~5% ash content)
- Paddy Bales (~2000 kcal/kg calorific value)
- Moong Straw (~3000 kcal/kg calorific value)
- Rice Husk (~4000 kcal/kg calorific value, dense, long storage life)

These agro byproducts serve as cleaner, more environmentally friendly alternatives to coal, primarily used as fuel in small and medium-sized boilers. By directly dispatching products from suppliers to buyers without involving warehousing, the Company avoids additional storage costs, minimizes handling complexities, and reduces wastage.

The following is the list of products traded by our Company:

Biomass Products

These are agricultural residues or byproducts which are used for burning in small boiler to produce heat energy/steam for various purposes, and sold as Boiler feed fuel to small and medium boiler operators as cleaner alternative coal.

1		Cotton Straw	Cotton stems, commonly known as cotton straw, are collected by farmers during the harvesting process. After drying, they are chipped and used as an agro-residue fuel. Cotton straw has an average calorific value of around 2800 kcal/kg and contains approximately 5% ash.
2		Mustard Husk	Stems of the Mustard plant, collected during the harvesting of Mustard seeds. It offers a calorific value of approximately 2800 kcal/kg.
3		Paddy Bale	Paddy straw, left in the fields after rice harvesting, is a low-value agricultural residue. It is typically collected and baled for easier handling and transport. Paddy bales are commonly used for animal feed, bedding, composting, mushroom cultivation, and as boiler fuel for small boilers. The average calorific value is around 2000 kcal/kg.
4		Moong Straw	Waste stems from the Mentha (Mint) plant, collected from herbal or medicinal industries after oil extraction. Calorific value is around 3000 kcal/kg.
5		Rice Husk	Rice husk is a low-cost and renewable bio-based adsorbent for wastewater treatment. Rice husk is a hydrophilic agricultural by-product obtained when the protective shell is removed from the rice grain. This is a byproduct of rice millers. It has excellent thermal stability, long storage life without degradation, and is very dense resulting in lower storage and transportation cost. The calorific value of rice husk is 4000 kcal/kg.

2. Textile Fabric Segment

The Company's textile fabric trading operations are strategically positioned in major textile hubs such as Ahmedabad and Bhiwandi. The product range in this segment includes:

- Premium polyester shirting materials
- Premium ultrasateen soft fabrics for home textile applications

The Company leverages its operational presence in these hubs to maintain a strong supply chain and meet customer demands effectively.



- **Gated Market**

The Gated Markets segment involves strategic partnerships with leading rewards and loyalty programs across India. These are private, access-controlled platforms that cater exclusively to select user groups, such as employees of companies enrolled in loyalty programs, dealers participating in incentive schemes, or credit card holders of banks with access to specific reward points for redemption. These platforms are not open to the general public, requiring users to meet specific criteria or receive invitations to join.

Some well-known examples of such platforms are BI Worldwide, Rewards360, and Loyalty Rewardz. In our gated market catalogue, we aggregate products from a range of trusted brands including Assembly (Luggage), Mr Copper King (Copper Bottles), Fingers (Electronics), Micelo Martin & Ray-Ban (Sunglasses), and Eslite & Kitchen Mantra (Kitchen Accessories and Appliances).

1. Definition & Scope

The Gated Markets segment involves strategic partnerships with leading rewards and loyalty programs across India. These are private, access-controlled platforms that cater exclusively to select user groups, such as employees of companies enrolled in loyalty programs, dealers participating in incentive schemes, or credit card holders of banks with access to specific reward points for redemption. These platforms are not open to the general public, requiring users to meet specific criteria or receive invitations to join.

Some well-known examples of such platforms are BI Worldwide, Rewards360, and Loyalty Rewardz. In our gated market catalogue, we aggregate products from a range of trusted brands including *Assembly (Luggage), Mr Copper King (Copper Bottles), Fingers (Electronics), Micelo Martin & Ray-Ban (Sunglasses), and Eslite & Kitchen Mantra (Kitchen Accessories and Appliances).*

How Gated Market Platforms Work: Example of SBI Credit Card Rewards

If you have an SBI credit card and earn points on your spending, you can access the rewards section by logging in to your SBI net banking account. In this section, you'll find a catalogue featuring a wide range of products—many of which are supplied by us. Instead of paying with money, customers use their accumulated reward points to redeem these items.

When a customer selects and orders a product from the rewards catalogue, the platform provider (for example, Rewards360) consolidates and forwards these orders to us. We then fulfill and ship the products directly to the customers on behalf of the catalogue provider. At no point do customers make direct payment to us; all transactions are managed through the platform and are based on point redemption.

2. Value Proposition for Brands

- **Lower Customer Acquisition Costs:** Brands gain access to targeted, pre-qualified user groups without incurring high customer acquisition expenses.
- **Discreet Stock Clearance:** Enables brands to liquidate excess or slow-moving inventory without affecting public pricing or brand image.
- **Reduced Return Rates:** The exclusive nature and informed user base lead to fewer product returns, enhancing operational efficiency.

3. Strategic Outlook

- **Trading Business:** The Company plans to expand its supplier network across key agro and textile hubs and explore new agricultural byproducts with compelling calorific values and industrial demand.
- **Gated Markets:** The Company aims to deepen engagement with existing loyalty program partners while onboarding top-tier brands to diversify and enrich the product offerings, further boosting consumer appeal.

This detailed overview outlines the distinct roles and growth strategies of the Company's Trading and Gated Markets verticals, underscoring the strategic value each brings to the overall business.

On Page no. 144 of the DRHP under the heading "Services" we shall update the Following:-

Services

Our company offers a wide range of digital and e-commerce services designed to help brands grow online, improve their visibility, and increase sales. We work with both direct-to-consumer (D2C) brands and large corporate clients, providing end-to-end support across marketing, technology, and operations.

We help businesses advertise effectively, build strong online stores, manage their presence on platforms like Amazon, and reach customers through loyalty and reward programs. Our services are practical, result-oriented, and tailored to the specific needs of each client.

To serve our clients better, we have structured our services into the following key segments:

1. Performance Marketing & E-Commerce Management

- Represents end-to-end campaign management on platforms such as Facebook, Instagram, Google, and Amazon.
- Activities include:
 - Media planning and execution of performance-driven digital campaigns.
 - Conversion optimisation, A/B testing, and ROI tracking.
 - Account management for e-commerce sellers, including catalogue optimisation, pricing parity monitoring, and keyword optimisation.
- This vertical reflects the Company's ability to directly link marketing spends with measurable outcomes such as sales, leads, and conversions.

2. Media

- Running display ads and branded content campaigns.
- Covers website ads and media buys for specific campaigns.
- Mainly focused on brand awareness and reach.

3. Commission-based Services

- Supporting client sales on marketplaces such as Amazon.
- The Company earns a commission or revenue-share linked to actual sales.
- Ensures alignment of Company performance with client growth.

4. Professional Fees & Marketing Advisory

- Advisory and consulting services such as brand strategy, digital audits, business planning, and go-to-market strategies.
- Also includes long-term advisory support on retainer basis.
- Focused on providing strategic inputs rather than execution.

5. Web Services

- Development and maintenance of websites and online stores.
- Includes Shopify development, system integration, analytics dashboards, and UI/UX improvements.
- Helps clients build and manage their digital presence.

6. Marketing Services (Executional)

- Creative and executional support such as ad creatives, emailers, social media posts, and campaign execution.
- Covers product launches, seasonal promotions, and reputation management.
- Focused on brand-building and creative delivery.

On Page no. 144 of the DRHP under the heading “installed production capacity and Capacity Utilization” we shall update the Following:-

INSTALLED PRODUCTION CAPACITY AND CAPACITY UTILIZATION

The following table sets forth details of the Company’s aggregate installed production capacity and Capacity Utilization as on March 31, 2025; March 31, 2024, and March 31, 2023 respectively

S. N o.	Name of the Product	Plant Capacity (No of Sets)									
		Machines	FY 2024-25			FY 2023-24			FY 2022-23		
			Installed Capacity	Utilized Capacity	%	Installed Capacity	Utilized Capacity	%	Installed Capacity	Utilized Capacity	%
1.	Home Décor including : • Bed sheet Sets • Pillow Cover Set • Comforters • Curtains • Table Linen Set	Material Cutting Process • Cutting Table - 10 ft x 50 ft • Cutting Table - 10 ft x 30 ft • Cutting Machine	51,750	29,796	57.58	51,750	14,958	28.9	51,750	7,750	14.98

2.	Home Décor including : • Bed sheet Sets • Pillow Cover Set • Comforters • Curtains Table Linen Set	Stitching Process • Stitching Machine - Bed sheets • Pillow Stitching Machine • Overlock • Iron Tables with inbuilt Boiler	119,400	80,560	67.47	119,400	47,367	39.70	119,400	26,693	22.36
Total			171,150	110,356	64.48	171,150	62,325	36.41	171,150	34,443	20.12

As certified by Garg & Associates vide certificate dated August 14th, 2025.

On Page no. 154 of the DRHP under the heading “Immovable Property” we shall update the Following:-

IMMOVABLE PROPERTY

S.No.	Details of the Property	Licensor/Lessor/Vendor	Area	Owned / Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Use	Whether Related Party or Not
1.	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon(E), Mumbai 400063, Maharashtra	M/s Bhageria Industries Limited through its Authorized Signatory Krunal Sanjay Kumar Wala	1050 Square Feet	Leased	Lease Agreement dated August 8 th , 2022 between Bhageria Industries Limited and Encompass Design India Private Limited for a period of 03years at monthly rent of Rs. 88200/- starting from August 1, 2022.	Registered Office	Not
2.	701, Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063	Mr. Karwa Krishna Kumar Murlidhar	2,000 Square Feet	Leased	Lease Agreement dated 12 th May, 2023 between Mr. Karwa Krishna Kumar Murlidhar and Encompass Design India Private Limited for period of 03years at a monthly rent of Rs. 3,85,875/- starting from 1 st April, 2023	Branch Office-1	Not

3.	1202 Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063	Mrs. Maheshwari Kusum Madhusudhan	1050 Square Feet	Leased	Lease Agreement dated June 27th ,2025 between Mrs Maheshwari Kusum Madhusudhan and Encompass Design India Private Limited for a period of 03 years at monthly rent of Rs. 181913/- for the first 12 months, Rs. 191009/- for the next 12 months, Rs. 200559/- for the next 12 months starting from July 1, 2025.	Branch Office-2	Not
4.	Gala No-7 to 10, 1st floor, Bldg No-J 09, Shree Arihant Compund,, Bhiwandi, Thane, Thane, Maharashtra, 421302	Mr.Shailesh Narshi Shah Mrs Nayna Shailesh Shah Mrs Darshini Bipin Shah Mr.Bipin Narshi Shah	9297.15 Square Feet	Leased	Lease Agreement dated 12th Nov, 2024 between Mr.Shailesh Narshi Shah, Mrs Nayna Shailesh Shah, Mrs Darshini Bipin Shah, Mr.Bipin Narshi Shah and Encompass Design India Private Limited for period of 3 Year at a monthly rent of Rs. 87925/- starting from 1st Sep, 2024	Warehouse	Not
5.	Gala No-7 to 10, 1st floor, Bldg No-I 09, Shree Arihant Compund,, Bhiwandi, Thane, Thane, Maharashtra, 421302	Creative Garments through its Authorized Signatory Briendra kumar J. Agarwal	9299 Square Feet	Leased	Lease Agreement dated 28 th April, 2023 between Creative Garments and Encompass Design India Private Limited for period of 3 Year at a monthly rent of Rs. 76,188/- starting from 1st March, 2023	Manufacturing Unit	Not

On Page no. 153 of the DRHP under the heading “Revenue Bifurcation” we shall update the Following:-

CUSTOMER INDUSTRY WISE REVENUE BREAKUP

The customer industry-wise revenue break-up for the Draft Red Herring Prospectus (DRHP) period, classified as B2B, B2C, and B2G, is provided in the table below for your reference.

Particulars	FY 2024–25	FY 2023–24	FY 2022–23
B2B	3,092.64	2,567.06	1,899.27
B2C	2,372.30	1,437.13	263.2
B2G	–	–	–
Total	5464.94	4,004.18	2,162.47

As certified by V.K Beswal and Associates, Chartered Accountant dated August 19th, 2025.

On Page no. 158 of the DRHP under the heading “technology” we shall update the Following:-

TECHNOLOGY

The Company uses technology to improve efficiency and support data-based decisions. It uses AI tools such as ChatGPT, Google Gemini, Claude, Midjourney, Adobe Firefly, Canva Magic Studio, Blender, Grammarly, Shopify Sidekick, and TripleWhale for idea generation, design, content creation, and marketing analysis. For operations, the Company uses Unicommerce for warehouse and inventory management, Metorik for sales and customer analysis, and Shopify for online sales and customer management.

On Page no. 156 of the DRHP under the heading “Sales and marketing” we shall update the Following:-

SALES & MARKETING

The Company follows a structured sales and marketing strategy focused on improving brand visibility, customer acquisition, and retention while ensuring efficient use of marketing spend. Sales are made through company-owned websites, e-commerce platforms such as Amazon, Myntra, Nykaa Fashion, and Zepto, as well as offline pop-up stores and corporate gifting. Inventory, pricing, and promotions are coordinated across sales channels to maintain consistency. The Company has a presence in metro and Tier-1 cities and is gradually expanding into Tier-2 and Tier-3 markets. Marketing efforts include digital campaigns on Google, Meta, YouTube, and other platforms, along with content marketing, influencer collaborations, and occasion-based promotions. Customer engagement is supported through WhatsApp campaigns and targeted offers.

On Page no. 153 of the DRHP under the heading “Domain Name” we shall update the Following:-

DOMAIN NAME

The Details of the Domain Name Registered in the Name of the Company is:

S.No.	Domain Name	Sponsoring Registrar and IANA ID	Creation Date	Registration Expiry Date
1	edipl.in	Endurance Digital Domain Technology Private Limited, LLC and IANA ID: 801217	13/07/2021 and updated on 09/07/2025	13/07/2026
2	blisshomeindia.com	GoDaddy.com, LLC IANA ID:146	11/08/2023 and updated on 7/08/2024	11/08/2026
3	ediplgallery.in	GoDaddy.com, LLC IANA ID:146	23/07/2024 and updated on 12/07/2025	23/07/2026
4	encompassdesign.in	Endurance Digital Domain Technology Private Limited, LLC and IANA ID: 801217	13/07/2021 and updated on 09/07/2025	13/07/2026

5	encompassdesignindia.com	BigRock Solutions Ltd IANA ID: 1495	15/04/2013 and updated on 26/03/2025	15/04/2026
6	encompassmarkets.in	GoDaddy.com, LLC IANA ID:146	05/09/2024 and updated on 14/05/2025	05/09/2025
7	encompassshop.in	GoDaddy.com, LLC IANA ID:146	05/09/2024 and updated on 10/09/2024	05/09/2025
8	getsmallbatch.com	GoDaddy.com, LLC IANA ID:146	23/02/2023 and updated on 19/12/2024	23/02/2026
9	getsortd.in	GoDaddy.com, LLC IANA ID:146	15/06/2021 and updated on 19/12/2024	15/06/2026
10	jbatch.co.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
11	jbatch.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
12	jhaal.com	GoDaddy.com, LLC IANA ID:146	13/10/2021 and updated on 18/09/2024	13/10/2025
13	jsauce.co.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
14	jsauce.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 31/03/2025	27/03/2026
15	mysmallbatch.com	GoDaddy.com, LLC IANA ID:146	04/03/2025 and updated on 04/03/2025	04/03/2026
16	mywhitehall.com	GoDaddy.com, LLC IANA ID:146	24/01/2024 and updated on 30/01/2025	24/01/2026
17	mywhitehall.in	GoDaddy.com, LLC IANA ID:146	24/01/2024 and updated on 04/01/2025	24/01/2026
18	ohsosaucy.co.in	GoDaddy.com, LLC IANA ID:146	20/09/2022 and updated on 23/09/2024	20/09/2025
19	ohsosaucy.in	GoDaddy.com, LLC IANA ID:146	20/09/2022 and updated on 23/09/2024	20/09/2025
20	olivetheory.com	GoDaddy.com, LLC IANA ID:146	09/09/2012 and updated on 18/09/2024	09-09-2025
21	quirkloom.co.in	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2026
22	quirkloom.co	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2026
23	quirkloom.com	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 07/08/2024	03/08/2026

24	quirkloom.in	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2026
25	rajaii.com	GoDaddy.com, LLC IANA ID:146	26/12/2022 and updated on 19/12/2024	26/12/2025
26	rajaii.in	GoDaddy.com, LLC IANA ID:146	26/12/2022 and updated on 24/12/2024	26/12/2025
27	scalesauce.co.in	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
28	scalesauce.co	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
29	scalesauce.in	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
30	smallbatch.co.in	GoDaddy.com, LLC IANA ID:146	12/01/2023 and updated on 24/12/2024	12/01/2026
31	smallbatch.in	GoDaddy.com, LLC IANA ID:146	21/08/2023 and updated on 12/08/2024	21/08/2026
32	stoaparis.co.in	GoDaddy.com, LLC IANA ID:146	12/12/2024 and updated on 12/12/2024	12/12/2025
33	stoaparis.com	GoDaddy.com, LLC IANA ID:146	24/03/2021 and updated on 18/03/2024	24/03/2027
34	stoaparis.in	GoDaddy.com, LLC IANA ID:146	12/12/2024 and updated on 17/12/2024	12/12/2025
35	whitehall.in	GoDaddy.com, LLC IANA ID:146	08/09/2023 and updated on 14/08/2024	08/09/2025
36	whitehall.la	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
37	whitehallla.com	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
38	whitehall-la.com	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
39	whitehall-la.in	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 21/10/2024	11/10/2025

On Page no. 157 of the DRHP under the heading “Human Resources” we shall update the Following:-

The table below presents the number of employees registered with Employee provident fund and employee state insurance as on March 31, 2025:

S.No.	Departments	No. of Employees	Amount Paid (Rs. In Lakhs)
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1.	Employees Provident Fund (EPF)	23	10.36
2.	Employees State Insurance (ESI)	13	1.21

KEY INDUSTRY REGULATIONS

The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “**Government and Other Approvals**” beginning on page 261 of this Draft Red Herring Prospectus.*

Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:

Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006 (“FSS Act”) consolidates the laws relating to food and establishes the Food Safety and Standards Authority of India (“FSSAI”) for laying down science-based standards for articles of food. The Act regulates the manufacture, storage, distribution, sale, and import of food products to ensure availability of safe and wholesome food for human consumption. Any person engaged in the food business is required to obtain a license/registration under this Act and comply with the prescribed food safety, hygiene, and labeling requirements. Non-compliance with the provisions of the Act may result in penalties, suspension, or cancellation of licenses.

FSSAI Licensing and Labeling Regulations

The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011, and the Food Safety and Standards (Packaging and Labeling) Regulations, 2011, framed under the FSS Act, set out specific requirements for food business operators. These regulations mandate licensing/registration of food manufacturing and processing units, and stipulate conditions relating to hygienic practices, sanitation, quality standards, and record-keeping. They further prescribe detailed labeling norms including disclosure of nutritional information, allergens, ingredients, vegetarian/non-vegetarian logo, FSSAI license number, and other declarations. Compliance with these regulations is mandatory for entities engaged in the manufacture, packaging, marketing, and sale of food products in India.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Draft Red Herring Prospectus we have Six (6) directors comprising, two (2) Non- Executive Independent Directors including one women Independent director, one Non-Executive Director and Three (3) Executive Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

S.no.	Name, Father's Name, Age, Designation, Qualification, Nationality, & DIN	Date of Appointment	No. of Equity shares held & % of shareholding (Pre-Issue)	Other Directorships
1.	Mr. Amit Rajendraprasad Dalmia Father's Name- Rajendra Prasad Dalmia Date of Birth- 21.08.1977 Age- 48 Years Designation- Chairman & Managing Director Address- 57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra - 400049 Experience- 27 Years Category- Promoter Qualification- Bachelor of Business Administration (B.B.A) Nationality- Indian DIN- 00210919	Originally appointed as Director Since incorporation of the company i.e. March 09, 2010. Further Re-Designated as Chairman & Managing director w.e.f May 07, 2025 for a period of 5(five) years and not liable to retire by rotation.	72,59,281 Equity Shares which constitutes 69.63% of Paid up capital	1. OTH Online Private Limited 2. Brand Spring Ventures LLP
2.	Mrs. Susmita Amit Dalmia Father's Name- Omprakash Goenka Date of Birth- 14.10.1978 Age- 47 Years Designation- Whole Time Director Address- 57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra - 400049 Experience- 20 Years Category- Promoter Qualification- (Masters Degree in Business information technology) Nationality- Indian DIN- 02401290	Originally appointed as Director on March 16, 2013 Further Re-Designated as Whole-Time Director w.e.f May 07, 2025 for a period of 5(five) years and liable to retire by rotation.	2,00,598 Equity Shares which constitutes 1.92% of Paid up capital	1. OTH Online Private Limited

3.	Mr. Ruman Kailash Agarwal Father's Name- Kailash Agarwal Date of Birth- 04.10.1983 Age- 42 Years Designation- Whole Time Director Address- 02, Lok Sagar, Plot 32/33, Sector 14, Navi Mumbai, Vashi, Thane, Maharashtra 400703 Experience- 19 Years Category- Promoter Qualification- Bachelor of Science in Business Administration Nationality- Indian DIN- 11004779	Originally appointed as Director on April 05, 2025 Further Designated as Whole-Time Director w.e.f May 07, 2025 for a period of 5(five) years and liable to retire by rotation.	4,49,935 Equity Shares which constitutes 4.32% of Paid up capital	NIL
4.	Mr. Tejpal Singh Father's Name- Ratan Singh Date of Birth- 08.06.1979 Age- 46 Years Designation- Non-Executive Director Address- C1-1885, Sushant City-1, Mansa Road, Kot Shamir, Bathinda, Punjab- 151001 Experience- 25 Years Category- Professional Qualification- Masters Program in Business Operations Nationality- Indian DIN- 11111989	Originally appointed as Additional Non-Executive Director on May 19, 2025 Further, regularized as Non-Executive Director in an Extra-ordinary General Meeting held on June 11, 2025 who shall be liable to retire by rotation.	NIL	NIL
5.	Ms. Himanshi Tiwari Father's Name- Santosh Tiwari Date of Birth- 15.09.1995 Age- 30 Years Designation- Independent Director Category- Professional Address- H.NO. 268, Ward no 15, Bos Colony, Near Bora company, Maihar, Madhya Pradesh- 485771 Experience- 3 Years Qualification- Qualified Company Secretary and Master of Business Administration (MBA) Nationality- Indian DIN- 10545195	Recommended by Board for Appointment as Independent Director as on May 07, 2025 Appointed as Independent Director in an Extra-ordinary General Meeting held on May 30, 2025 for a period of 5 years not liable to retire by rotation.	NIL	1. ATC Energies System Limited

6.	Mr. Saahil Prakash Dugar Father's Name- Prakash Sampat Dugar Date of Birth- 27.07.1983 Age- 41 Years Designation- Independent Director Category- Professional Address- 902 – A Wing, Vivarea, Sane Guruji Marg, Off Jacob Circle, Mahalaxmi, Mumbai City, Maharashtra-400011 Experience- 19 Years Qualification- MBA in Finance Nationality- Indian DIN- 01186726	Recommended by Board for Appointment as Independent Director as on May 07, 2025 Appointed as Independent Director in an Extra-ordinary General Meeting held on May 30, 2025 for a period of 5(five) years and not liable to retire by rotation.	NIL	1. Bagalkot Cement & Industries Limited. 2. Polestar Maritime Limited 3. Idea Traders LLP 4. Indus Ventures & Traders LLP
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Brief Profile of Key Managerial Personnel

• Mr. Tarak Amrutlal Nagda, Chief Financial Officer, Age – 42 Years

Mr. Tarak Amrutlal Nagda is a finance professional with over two decades of experience across industries such as e-commerce, life sciences, energy, and professional services. He has been serving as the Chief Financial Officer (CFO) of Encompass Design India Private Limited since July 2022.

He holds a Bachelor of Commerce degree and has completed CA (Inter) from the Institute of Chartered Accountants of India. Over the course of his 21-year career, Mr. Nagda has developed deep expertise in core financial functions, including accounting, taxation, treasury management, regulatory compliance, and financial reporting.

His professional journey reflects progressive leadership across finance functions. Prior to his current role, he held senior positions at OTH Online Pvt. Ltd. (Sr. Manager Accounts), Home Craft Online Pvt Ltd. (Sr. Manager Accounts), Viaton Energy Pvt. Ltd. (Sr. Manager Accounts), Morpheus Life Sciences Pvt. Ltd. (Manager -LLP Accounts), and other organisations, where he was responsible for financial planning and analysis, system implementations, budgeting, internal controls, and audit management.



Mr. Tarak Amrutlal Nagda has actively managed a wide range of responsibilities in his previous employments, including budgeting and forecasting, cash flow management, financial reporting, preparation of MIS, tax planning and compliance, statutory and internal audits, vendor payments and payroll processing, strategic planning, team leadership, decision-making, forensic investigations, treasury management, cost control, reconciliations, data analytics, and liaising with banks.


Since July 2022, Mr. Nagda has been overseeing all strategic and operational finance functions at Encompass Design India Private Limited, including management information systems (MIS), statutory compliance, audit coordination, and financial risk management.

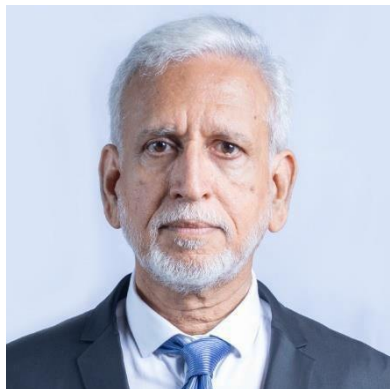
OUR PROMOTER AND PROMOTER GROUP

Brief Profile of Our Promoters

Brief Profile of our Promoters are provided Below:

	MR. AMIT RAJENDRAPRASAD DALMIA CHAIRMAN CUM MANAGING DIRECTOR
<p>Mr. Amit Rajendraprasad Dalmia has over 27 years of experience in technology, digital commerce, and brand development. A graduate of the Wharton School, he has been associated with various ventures including InteliNet Software, Creative Global Services, Viaton (green energy), OliveTheory (home decor e-commerce), and Accio.ai (visual-AI advertising). He began his entrepreneurial career in 1999 and has worked on integrating emerging technologies with business models. He is currently serving as the Chairman and Managing Director of Encompass Design India Limited for a term of five years, not liable to retire by rotation. He is responsible for innovation, product development, and partnerships across the company's digital consumer brand.</p>	
Name	Mr. Amit Rajendraprasad Dalmia
Date of Birth	21/08/1977
Age	48 Years
Personal Address	57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra -400049
Qualification	Bachelor of Business Administration (B.B.A) from The Wharton School of the University of Pennsylvania
Occupation	Businessman
Experience	27 Years
PAN	ADOPD5162H
Driving License Number	MH-0220080216355
No. of Equity shares held & % of holding	72,59,281 Shares and 69.63% Shareholding
DIN	00210919
Directorship & Other Ventures	<ol style="list-style-type: none"> 1. OTH Online Private Limited 2. Brand Spring Ventures LLP
	MRS. SUSMITA AMIT DALMIA, WHOLE-TIME DIRECTOR
<p>Mrs. Susmita Amit Dalmia holds a Master's degree in Business Information Technology from Middlesex University, UK, and has over 20 years of experience in technology, design, and commerce. She began her career at Creative Global Services, where she was involved in programming and web development, managing teams across sectors such as publishing, logistics, and e-commerce. She subsequently worked on UI/UX at OTH Online and oversaw operations at Home Craft. She is currently associated with Encompass Design India Limited since 2013 and as a Whole-Time Director since 2025 for a period of five years and is liable to retire by rotation. Her responsibilities include product development and design, with a focus on merchandising.</p>	
Name	Mrs. Susmita Amit Dalmia
Date of Birth	14/10/1978

Age	47Years
Personal Address	57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra – 400049
Qualification	Masters Degree in Business information technology fromMiddlesexUniversity.
Occupation	Business
Experience	21 Years
PAN	AALPG6237E
Driving License Number	MH02 20120005501
No. of Equity shares held & % of holding	2,00,598 Shares and 1.92% Shareholding
DIN	02401290
Directorship & Other Ventures	1. OTH Online Private Limited
	MR. RUMAN KAILASH AGARWAL, WHOLE-TIME DIRECTOR
	Mr. Ruman Kailash Agarwal has over 19 years of experience in product strategy, digital marketing, technology, e-commerce, and operations. He began his career at Creative Global Services, where he held various roles including Senior Vice President, overseeing project management, client servicing, and digital strategy across multiple sectors. He has also worked on web development and performance marketing for e-commerce ventures such as BrandsnDeals, BedBathMore, and OliveTheory at Encompass Design India and Home Craft. He is currently associated with Encompass Design India Limited, where he is responsible for operations and growth through digital marketing initiatives.
Name	Mr. Ruman Kailash Agarwal
Date of Birth	04/10/1983
Age	42 Years
Personal Address	02, Lok Sagar, Plot 32/33, Sector 14, Navi Mumbai, Vashi, Thane, Maharashtra
Qualification	Bachelor of Science in Business Administration fromState University of New York
Occupation	Business
Experience	19 Years
PAN	AFNPA7294N
Driving License Number	MH-0420010043488
No. of Equity shares held & % of	4,49,935 Shares and 4.32% Shareholding
DIN	11004779
Directorship & Other	NIL
	MR. YOGENDRA VASHISHTA, CHIEF STRATEGY OFFICER



Mr. Yogendra Vashishta has nearly 38 years of experience in business strategy, branding, marketing, and communications. He is a graduate of Delhi University and holds an MBA from IMSAR. He has held senior roles at organizations such as Reliance, DDB Mudra, and VIP Industries, where he worked on brand development and marketing initiatives. Since August 2022, he has been associated with the Company as Co-Founder and Chief Strategy Officer, responsible for brand strategy and creative direction for the Company's digital consumer brands

Name	Mr. Yogendra Vashishta
Date of Birth	17/12/1961
Age	63 Years
Personal Address	401, Silicon Valley Plot, No 54 JK Mehta Road Off Green Street, Near Poddar School, Santacruz, West Mumbai- 400054
Qualification	MBA from Maharshi Dayanand University
Occupation	Business
Experience	38 Years
PAN	AAHPV5024G
Driving License Number	MH-0119970017143
No. of Equity shares held & % of holding	4,49,962 Shares and 4.32% Shareholding
DIN	05189879
Directorship & Other Ventures	<ol style="list-style-type: none"> 1. Minority X Private Limited 2. Minority Branding Solutions Private Limited 3. Billbox Purewrist Tech Solutions Private Limited 4. Paradox Communications Private Limited 5. Minority Brand Creation and Management LLP 6. Brand Spring Ventures LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2024 WITH FISCAL 2023

Restated Profit/ (Loss) after tax:

Profit after tax for FY 2023–24 stood at ₹687.90 lakhs, compared to ₹(129.46) lakhs in FY 2022–23. In FY 2022–23, the Company earned ₹2,162.47 lakhs in revenue as it was still in the early stage of expansion. Raw material costs were high at ₹1,875.89 lakhs, about 86.7% of revenue, mainly due to rising input prices and lower bargaining power with suppliers. Employee costs and other expenses increased to ₹392.45 lakhs and ₹447.73 lakhs, as the Company invested in people and infrastructure to support future growth. In FY 2024, the Company benefited from a one-time gain due to major inventory destocking of ₹813.07 lakhs, which significantly reduced material costs. This led to an improvement in the material cost ratio from 86.7% in FY 2023 to 26.3% in FY 2024. The inventory-to-revenue ratio also improved sharply from 59.5% to 12.7%. With higher revenue and better cost control, fixed costs and employee expenses were better absorbed, reflecting strong operational leverage during the year.

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The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Red Herring Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected online with Registrar of Companies and 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/Issue Closing Date and online at website of company www.edipl.in

Material Contracts

- Monitoring Agency Agreement dated [●] Among Our Company and Monitoring Agency.

Material Documents

- Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Practicing Company Secretary, Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor, Banker to the Issue, Monitoring Agency, Underwriter to the Issue and Market Maker to act in their respective capacities.