



**SWISS
MILITARY**

SWISS MILITARY CONSUMER GOODS LIMITED

Our Company was originally incorporated as “Network India Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on January 25, 1989, by the Registrar of Companies, Delhi & Haryana. Subsequently, the certificate of commencement of business was granted to our Company on January 09, 1990, by the Registrar of Companies, Delhi & Haryana. Thereafter, the name of our Company was changed from “Network India Limited” to “Network Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana on November 09, 1990. The name of our Company was changed to its present name “Swiss Military Consumer Goods Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi on December 03, 2020. For details of changes in the name and registered office of our Company, see “General Information” on page 43.

Corporate Identity Number: L51100DL1989PLC034797
Registered & Corporate Office: W-39, Okhla Industrial Area, Phase-II, New Delhi 110020;
Telephone: +91-11- 41067060;
Contact Person: Mr. Vikas Jain, Company Secretary and Compliance Officer
Email: cs@swissmilitaryshop.com; **Website:** www.swissmilitaryshop.com

OUR PROMOTERS: MR. ANUJ SAWHNEY, MRS. ASHITA SAWHNEY, M/S ANUSHI RETAIL LLP AND M/S SWISS MILITARY LIFESTYLE PRODUCTS PRIVATE LIMITED
WILFUL DEFAULTER OR FRAUDULENT BORROWER
NEITHER OUR COMPANY NOR ANY OF OUR PROMOTERS OR DIRECTORS IS CATEGORISED AS A WILFUL DEFAULTER OR FRAUDULENT BORROWER
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SWISS MILITARY CONSUMER GOODS LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY
ISSUE OF UP TO 9,82,96,996 (NINE CRORES EIGHTY TWO LAKHS NINETY SIX THOUSAND NINE HUNDRED AND NINETY SIX ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 2 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF RS. 4.50 EACH PER RIGHTS EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT UP TO RS. 44.23 CRORES* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 (ONE) RIGHTS EQUITY SHARE FOR EVERY 1 (ONE) FULLY PAID-UP EQUITY SHARE HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON JULY 23, 2022 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 2.25 (TWO POINT TWO FIVE) TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 156. *Assuming full subscription
GENERAL RISKS
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the offer including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” on page 27 of this Letter of Offer.
ISSUER’S ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
LISTING
The existing Equity Shares are listed on the BSE Limited (“BSE” or “Stock Exchange”). Our Company has received an ‘in-principle’ approval from BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated June 21, 2022. Our Company will also make an application to the Stock Exchange to obtain the trading approval for the Rights Entitlements as required under the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/13) dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p>Turnaround Corporate Advisors Private Limited CIN: U74140DL2015PTC278474 714, Vishwadeep Building, Plot No. 4, District Centre, Janakpuri, New Delhi- 110058 Tel: +91-11-45510390, 41395590 E-mail: Info@tcagroup.in Investor Grievance Email: complaints@tcagroup.in Website: www.tcagroup.in Contact Person: Ms. Shweta Gupta/ Mr. Adarsh SEBI Registration No.: MB/INM000012290</p>	 <p>Alankit Assignments Limited CIN: U74210DL1991PLC042569 4E/21, Alankit House, Jhandewalan Extension, New Delhi - 110055 Tel: +91-11- 42541966; Fax: +91-11-23552001 E-mail: abhinavka@alankit.com Investor Grievance Email: smcgrights@alankit.com Website: www.alankit.com Contact Person: Mr. Abhinav Kumar Agrawal SEBI Registration No.: INR000002532</p>

ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON#
WEDNESDAY, AUGUST 10, 2022	FRIDAY, AUGUST 19, 2022	THURSDAY, AUGUST 25, 2022

* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

TABLE OF CONTENTS

SECTION I - GENERAL.....	4
DEFINITIONS AND ABBREVIATIONS	4
NOTICE TO INVESTORS	15
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	18
FORWARD LOOKING STATEMENTS	21
SECTION II - OFFER DOCUMENT SUMMARY.....	23
SECTION II - RISK FACTORS.....	27
SECTION III - INTRODUCTION	42
THE ISSUE.....	42
GENERAL INFORMATION	43
CAPITAL STRUCTURE	48
OBJECTS OF THE ISSUE	51
STATEMENT OF SPECIAL TAX BENEFITS.....	57
SECTION IV - ABOUT THE COMPANY	59
INDUSTRY OVERVIEW.....	59
OUR BUSINESS.....	63
OUR MANAGEMENT	73
OUR PROMOTERS.....	86
DIVIDEND POLICY.....	90
SECTION V - FINANCIAL INFORMATION	91
RESTATEd FINANCIAL INFORMATION	91
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS.....	133
MARKET PRICE INFORMATION.....	140
SECTION VI - LEGAL AND OTHER INFORMATION	142
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS.....	142
GOVERNMENT AND OTHER STATUTORY APPROVALS.....	147
OTHER REGULATORY AND STATUTORY DISCLOSURES	148
SECTION VII: ISSUE INFORMATION	156
TERMS OF THE ISSUE	156
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	188
SECTION VIII - STATUTORY AND OTHER INFORMATION	189
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	190
DECLARATION	192

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations which, unless the context indicates or implies otherwise, have the meanings as provided below.

The words and expressions used in this Letter of Offer but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, SEBI ICDR Regulations, the SEBI LODR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

The following list of capitalised terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Provided that terms used in the sections/ chapters titled “Industry Overview”, “Offer Document Summary”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigations and Material Developments”, “Terms of the Issue” on pages 59, 23, 91, 57, 142 and 156 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

GENERAL TERMS

Term	Description
“Swiss Military Consumer Goods Limited” or “our Company”, or “the Company” or “the Issuer”	Swiss Military Consumer Goods Limited, a public limited company incorporated in India under the Companies Act, 1956, having its registered and corporate office at W-39, Okhla Industrial Area, Phase-II, New Delhi 110020
“we” or “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

COMPANY RELATED TERMS

Term	Description
Articles/ Articles of Association	The Articles of Association of our Company, as amended from time to time
Auditors	The Statutory Auditors of the Company, being M/s B. K. Sood & Co., Chartered Accountants
Board /Board of Directors	The Board of Directors of our company or a duly constituted committee thereof.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Compliance Officer	The compliance officer of our Company in relation to the Issue
Equity Shares	The Equity Shares of our Company of face value of Rs.2 each

Erstwhile Promoters	<p>As per the shareholding pattern for the quarter ended March 31, 2022, filed by our Company with the Stock Exchange, following persons have also been classified as the Promoters of our Company:</p> <ol style="list-style-type: none"> 1. Mr. Praful Kumar 2. Mr. Vijay Kumar Sharma <p>It may however be noted that the individuals mentioned at serial nos. 1 and 2 above had, vide their respective letters dated July 23, 2021, expressed their intention to be reclassified as Public Shareholders in terms of Regulation 31A of the SEBI LODR Regulations. Further, the Shareholders of the Company had approved reclassification of the said individuals from “Promoter & Promoter Group Category” to “Public Category”, through a resolution passed at their General Meeting held on September 04, 2021. The Company has filed the necessary application with BSE Limited under Regulation 31A of the SEBI LODR Regulations on October 01, 2021.</p> <p>In line with the explanations provided herein above, the individuals mentioned at serial nos. 1 to 2 above have not been classified as the Promoters of the Company in this Letter of Offer and therefore have been referred to as the Erstwhile Promoters of our Company.</p>
Group Companies/Entities	In terms of SEBI ICDR Regulations, the term “group companies” includes companies (other than our Promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy.
Independent Director	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI LODR Regulations
KMP/ Key Managerial Personnel	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in “ Our Management ” on page 73
Memorandum/ MOA/ Memorandum of Association	Memorandum of association of our Company, as amended from time to time
Promoter(s)	Mr. Anuj Sawhney, Mrs. Ashita Sawhney, M/s Anushi Retail LLP and Swiss Military Lifestyle Products Private Limited.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office/ Registered Office of the Company	The Registered Office of our Company located at W-39, Okhla Industrial Area, Phase-II, New Delhi 110020
Registrar of Companies /ROC	Registrar of Companies, Delhi & Haryana
Restated Financial Statements	The restated financial statement of our Company for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 and the related notes, schedules and annexures thereto, prepared in

	accordance with applicable provisions of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations and included in “ Restated Financial Information ” on page 91
Shareholders / Equity Shareholder	The equity shareholders of our Company, from time to time

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer / ALOF	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to this Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/Allotted/Allotment/Allotment of Equity Shares	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue.
Allotment Accounts	The accounts opened with the Bankers to this Issue, into which the Application Money lying credit to the Escrow Account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Account Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited .
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Persons to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) /Investor(s)	Eligible Equity Shareholder(s) and/or Renounees who are entitled to make an application for the Equity Shares in terms of this Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price.
Application Form	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price.

Application Money	The number of Equity Shares applied for and as indicated in the Application Form multiplied by Issue Price per Equity Share payable by the Applicants on submission of the Application Form.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Banker to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being Axis Bank Limited
Banker to the Issue Agreement	Agreement dated June 7, 2022 entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/ Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “ Terms of the Issue ” on page 156.
BSE	BSE Limited
Controlling Branch of SCSB	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	NSDL and CDSL registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, from the ASBA Investors and a list of which is available http://www.sebi.gov.in
Designated Stock Exchange	BSE Limited
DP	Depository Participant

DP ID	Depository Participant's Identity number
Draft Letter of Offer	The Draft Letter of Offer dated May 09, 2022 to be filed with the Stock Exchange
Eligible Equity Shareholder(s)	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see "Notice to Investors" on page 15.
Escrow Account/ Rights Issue Account	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank for the purposes of collecting the Application Money from resident Investors.
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, Axis Bank Limited .
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
IEPF	Investor Education and Protection Fund
ISIN	International securities identification number
Issue / Rights Issue	Issue of up to 9,82,96,996 (Nine Crores Eighty Two Lakhs Ninety Six Thousand Nine Hundred and Ninety Six Only) Rights Equity Shares for cash at a price of Rs. 4.50 per Rights Equity Share, for an aggregate amount up to Rs. 44.23 Crores on a rights basis by our Company to the Eligible Equity Shareholders in the ratio of 1 (One) Rights Equity Shares for every 1 (One) Equity Shares held by the Eligible Equity Shareholders on the Record Date.
Issue Agreement	Issue agreement dated April 27, 2022 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	Thursday, August 25, 2022
Issue Opening Date	Wednesday, August 10, 2022
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	The price at which Equity Shares will be Issued and allotted by our Company being Rs. 4.50/- (Rupees Four and Paise Fifty Only) per Equity Share.
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to 9,82,96,996 (Nine Crores Eighty Two Lakhs Ninety Six Thousand Nine Hundred and Ninety Six Only) Rights Equity Shares aggregating to an amount up to Rs. 44.23 Crores.
LM / Lead Manager	The Lead Manager for the Issue being Turnaround Corporate Advisors Private Limited
Letter of Offer / LOF	This letter of offer dated July 11, 2022 filed with the Stock Exchange and SEBI

Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue-related expenses. For details, see “ Objects of the Issue ” on page 51.
Non Institutional Investors/NIIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI - Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before Friday August 19, 2022.
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI - Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws.
Other/ Non Retail Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for the Rights Equity Shares in the Issue, being July 23, 2022.
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited
Registrar/ Registrar to the Issue/RTI	Alankit Assignments Limited
Registrar Agreement	Agreement dated April 27, 2022 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI- Rights Issue Circular, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on August 19, 2022, in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through Off-market transfer is completed in such a

	manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor / RII	An individual Investor who has applied for Rights Equity Shares for an amount not more than Rs. 200,000 (including an HUF applying through karta) in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlements/ Res	<p>The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to his / her shareholding in our Company as on the Record Date, being 1 (One) Rights Equity Share for every 1 (One) Equity Share held by the Eligible Equity Shareholder on the Record Date.</p> <p>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI - Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.</p>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares / Rights Shares	Equity Shares of our Company to be Allotted pursuant to the Issue.
Revision Form	The form used by the Applicants to modify the quantity of https://rights.alankit.com Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
SEBI Relaxation Circulars	SEBI Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021.
SEBI- Rights Issue Circular	Collectively, SEBI Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI Circular bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI ICDR Regulations/ SEBI (ICDR) Regulations/ SEBI (ICDR) Regulations, 2018	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time
SEBI LODR Regulations/SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.

SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Self Certified Syndicate Bank or SCSB	Banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and offer services of ASBA, and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , and as updated from time to time
Stock Exchange	BSE Limited
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter or a fraudulent borrower	In terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations, Wilful defaulter or a fraudulent borrower means a person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.
Working Days	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai and Delhi are open for business; provided however, with reference to Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai and Ahmedabad are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchange, "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays.

TECHNICAL/INDUSTRY RELATED TERMS/ ABBREVIATIONS

Term	Description
RFID	Radio Frequency Identification
OEM	Original Equipment Manufacturer
SKU	Stock Keeping Unit

CONVENTIONAL TERMS/ ABBREVIATIONS

Term	Description
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AIF/Alternative Investment Funds	Alternative Investment Funds as defined and registered under the SEBI AIF Regulations
AGM	Annual General Meeting
AMC	Annual Maintenance Contract
ASBA	Application Supported by Blocked Amount
A.Y.	Assessment Year
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
BV / NAV	Book value / Net Asset Value
CAGR	Compounded Annual Growth Rate.
CARO	Companies (Auditor's Report) Order, 2016
CDSL	Central Depository Services (India) Ltd.
CIN	Corporate Identity Number
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Depository	A body corporate registered under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time i.e. NSDL and CDSL.
Depositories Act	Depositories Act, 1996, as amended from time to time
Depository Participant /DP	A depository participant as defined under the Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identification number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
ESOP	Employees Stock Option Plan
FCNR Account	Foreign Currency Non Resident Account.
FCRA	Foreign Contribution (Regulation) Act, 2010
FDI	Foreign Direct Investment
FDI Policy 2020/FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the rules and regulations framed thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII	Foreign Institutional Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board.

Financial Year /fiscal year/FY/ fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
FMS	Facility Management Services
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investor
Government/ GOI	The Government of India.
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti Avoidance Rules
GIGW	Guidelines For Indian Government Websites
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IAAS	Infrastructure As A Service
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013 and referred to in the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR or Rupee or Rs.	Indian Rupee, the official currency of the Republic of India
IPO	Initial Public Issue
IRDA	Insurance Regulatory and Development Authority.
IT Act/ I. T. Act	Income-Tax Act, 1961
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition (nine digit code as appearing on a cheque leaf)
Mn, mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996
N.A.	Not Applicable
NAV	Net asset value.
NBFC	Non-banking Financial Company
NBFC - ND - SI	Systemically Important Non-Deposit Taking NBFC
NBFC - SI	Systemically important non-banking financial company, as covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations
NCR	National Capital Region
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer

NPCI	National Payments Corporation of India
NR/Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non Resident Indian
NRE Account	Non-Resident External Account.
NRI/Non-Resident Indian	A non-resident Indian as defined under the FEMA Regulations
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited
OCB/ Overseas Corporate Body	A company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty percent by NRIs and includes an overseas trust in which not less than 60% beneficial interest is held by NRIs directly or indirectly but irrevocably and which was in existence on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the relevant regulations issued under FEMA
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RONW	Return on Networth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
Securities Act	United States Securities Act of 1933, as amended
STT	Securities Transaction Tax
UK	United Kingdom
U.S./U.S.A.	United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them, subject to compliance with relevant SEBI circulars/ notices giving/ extending relaxation in dispatch of physical issue material to those eligible equity shareholders who have not provided a valid email address to the Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchange, subject to the applicable law.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company, subject to compliance with relevant SEBI circulars/ notices giving/ extending relaxation in dispatch of physical issue material to those eligible equity shareholders who have not provided a valid email address to the Company. Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except in India. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer, or other Issue Materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer (“**Restricted Jurisdictions**”) and, in those circumstances, the Letter of Offer or any other Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, the Letter of Offer, or any other Issue Materials should not distribute such document(s) to any person outside India where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer, the Letter of Offer, or any other Issue Materials is received by any person in any Restricted Jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India.

Envelopes containing an Application Form should not be postmarked or otherwise dispatched from any Restricted Jurisdiction, and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of these Rights Equity Shares in India.

Neither the delivery of the Draft Letter of Offer, the Letter of Offer, or any other Issue Materials nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or any other Issue Materials or the date of such information.

The contents of this Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the purchase or sale of Rights Equity Shares or Rights Entitlements. Accordingly, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares. In addition, neither our Company nor the Lead Manager is making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certifications set out in the Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

The Rights Entitlements and the Rights Equity Shares have not been approved, disapproved or recommended by the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authority of any other jurisdiction or any other regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

Notice to Investors in the United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States of America and may not be offered or sold in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only (a) to persons in the United States who are reasonably believed to be qualified institutional buyers as defined in Rule 144A under the Securities Act ("**U.S. QIBs**") pursuant to Section 4(a)(2) of the Securities Act and (b) to persons outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**"). In addition, until the expiry of

40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares in the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

The Exchange Information and this Letter of Offer have been prepared in accordance with content, format and style that is either prescribed by SEBI, the Stock Exchange or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, (i) our Company's financial information contained in the Exchange Information and this Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the United States Securities Commission and (ii) this Letter of Offer does not include all of the information that would be required if our Company were registering the offer and sale of the Rights Entitlements and the Rights Equity Shares under the Securities Act.

Our Company is a limited liability company incorporated under the laws of India. All of our Company's Directors and key management personnel are residents of India and a substantial portion of our Company's assets and such persons are located in India. As a result (i) it may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, (ii) you may not be able to sue our Company, our Directors and our key management personnel in an Indian court for violations of the U.S. securities laws, and (iii) it may be difficult to compel our Company and our affiliates to be subject to a U.S. court's judgment. For further details, see "**Risk Factors - Investors may have difficulty enforcing foreign judgements against our Company, our Directors or our management**" on page 27.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

All references to “India” contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “Gol”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see “Financial Information” on page 91. Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 (twelve) month period ended on March 31 of that year.

The Gol has adopted the Indian accounting standards (“Ind AS”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“IFRS”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “Ind AS Rules”).

The Restated Financial Statements of our Company for the Financial Years ended March 2020, 2021 and 2022 prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see "Financial Information" on page 91.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US\$" or "\$" are to United States Dollar, the official currency of the United States of America; and
- "Euro" or "€" are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Letter of Offer in "lakh" or "Lac" units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Financial Information.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us, the LM or any of its affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “**Risk Factors**” on page 27 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward- looking statements'. Investors can generally identify forward-looking statements by terminology including 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'future', 'forecast', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'target', 'will', 'would' or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward- looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward- looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- our ability to maintain and enhance our brands image;
- our ability to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner;
- our ability to successfully execute our expansion strategy of strengthening our sales network by opening new exclusive brand outlets, in a timely manner or at all;
- current locations of our exclusive brand outlets becoming unattractive, and suitable new locations not available for reasonable prices;
- our ability to maintain relationships with third parties such as franchised exclusive brand outlets, large format stores, multi brand outlets and online retailers;
- our ability to maintain our market position and to compete effectively against existing or potential competitors;
- our reliance on third party suppliers for our products; and
- our ability to manage our operations at our current size or to manage any future growth effectively.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "**Risk Factors**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Position and Results of Operations**" on pages 27, 63 and 133, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. None of our Company, our Directors, the Lead Manager nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the Lead Manager will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SECTION II - OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including the Sections titled “Risk Factors”, “Issue Information”; and Chapters titled “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Outstanding Litigation and Material Developments” on pages 27, 156, 48, 51, 59, 63, and 142, respectively.

SUMMARY OF BUSINESS

Our Company is primarily engaged in the business of promoting, marketing and selling life style products of all kinds including but not limited to travel gear, bags, key chains, mugs, golf accessories, electric and electronic products, gift items of all kinds & all other allied items, under the brand “Swiss Military”.

The Company has also added following business verticals in the lifestyle product category in which the Company presently operates:

- Essentials under Apparel Category - Men’s Innerwear
- Essentials under Appliances Category - Brown Goods/Home Appliances

Further, the Company has also started the business of developing, designing, manufacturing, importing, exporting, distributing Radio Frequency Identification (RFID) logistics or container seals, Radio Frequency Identification (RFID) and Geographic Information system (GIS) products & solutions and now company is ready for the next leap of business of RFID e-seal and ready to commence operation.

For details, see “Our Business” on page 63.

SUMMARY OF INDUSTRY

Introduction

Indian consumer durables market is broadly segregated into urban and rural markets and is attracting marketers from across the world. The sector comprises of a huge middle class, relatively large affluent class and a small economically disadvantaged class. Global corporations view India as one of the key markets from where future growth is likely to emerge. The growth in India’s consumer market would be primarily driven by a favorable population composition and increasing disposable income.

NAME OF THE PROMOTER

As on date of this Letter of Offer, Our Company is Promoted by Mr. Anuj Sawhney, Mrs. Ashita Sawhney, M/s Anushi Retail LLP, M/s Swiss Military Lifestyle Products Private Limited and other members of the Promoter Group.

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Adjustment of unsecured loans against the entitlement of promoter;

2. To meet the incremental working capital requirement; and
3. General Corporate Purposes

We intend to utilize the gross proceeds raised through the Issue (the “Issue Proceeds”) after deducting the Issue related expenses (“Net Proceeds”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

DETAILS OF NET PROCEEDS OF THE ISSUE

The details of the estimated proceeds of the Issue are as follows:

Particulars	Amount in Rs. Lakh
Gross Proceeds from the Issue	4423.36
Less: Issue related expenses	35.00
Net Proceeds from the Issue	4388.36

UTILIZATION OF NET PROCEEDS OF THE ISSUE

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

Amount in Rs. Lakh

Particulars	Amount to be funded from the Net Proceeds	Estimated schedule of deployment of Net Proceeds in FY 2022-23
Adjustment of unsecured loans against the entitlement of promoter;	1000.00	1000.00
To meet the incremental working capital requirement	2497.13	2497.13
General Corporate Purposes	891.23	891.23
Net Proceeds from the Issue	4388.36	4388.36

For details, see “Objects of the Issue” on page 51.

SUMMARY OF RESTATED FINANCIAL INFORMATION

(Amount in Rs.)

S. No.	Particulars	Financial Year		
		2021-22	2020-21	2019-20
1.	Share Capital	19,65,93,992	9,82,96,996	9,82,96,996
2.	Net Worth	16,65,02,207	4,07,34,263	4,04,78,074
3.	Revenue from operations	55,49,67,780	5,19,41,600	3,53,07,341
4.	Profit After Tax	2,74,70,948	2,56,189	(19,55,067)
5.	Earnings Per Share	0.28	0.01	(0.35)

6.	Net Asset Value per Equity Share	1.69	0.83	0.82
7.	Total Borrowings	6,75,00,000	-	-

SUMMARY OF OUTSTANDING LITIGATION

A summary of outstanding litigation involving our Company, our Directors and our Promoters as on the date of this Letter of Offer is provided below:

S. No.	Particulars	Number of cases outstanding	Amount involved in such proceedings (in Rs. Lakh)
1.	LITIGATION INVOLVING OUR COMPANY		
i.	Litigation against our Company		
a.	Criminal proceedings	Nil	Nil
b.	Actions taken by Statutory/Regulatory Authorities	Nil	Nil
c.	Tax Proceedings	Nil	Nil
d.	Other Material Litigations	Nil	Nil
e.	Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals	Nil	Nil
ii.	Litigation by our Company		
a.	Criminal Proceedings	Nil	Nil
b.	Civil and other Material Litigations	Nil	Nil
2.	LITIGATION INVOLVING OUR PROMOTERS		
i.	Litigation against our Promoters		
a.	Criminal proceedings	Nil	Nil
b.	Actions taken by Statutory/Regulatory Authorities	Nil	Nil
c.	Tax Proceedings	Nil	Nil
d.	Other Material Litigations	Nil	Nil
e.	Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals		
ii.	Litigation by our Promoters		
a.	Criminal Proceedings	Nil	Nil
b.	Civil and other Material Litigations	Nil	Nil
3.	LITIGATION INVOLVING OUR DIRECTORS		
i.	Litigation against our Directors		
a.	Criminal proceedings	Nil	Nil
b.	Actions taken by Statutory/Regulatory Authorities	Nil	Nil
c.	Tax Proceedings	Nil	Nil

d.	Other Material Litigations	Nil	Nil
e.	Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals	Nil	Nil
ii.	Litigation by our Directors		
a.	Criminal Proceedings	Nil	Nil
b.	Civil and other Material Litigations	Nil	Nil

For further details of the outstanding litigation proceedings, see “**Outstanding Litigations and Material Developments**” on page 142.

RISK FACTORS

Please see “**Risk Factors**” on page 27.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

For details, see “**Financial Information - Annexure - VI (Restated Statement of Contingent Liabilities)**” on page 91.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details of the related party transactions and as reported in the Restated Financial Statements, see “**Financial Information - Annexure VII (Restated Statement of Related Party Disclosure)**” on page 91.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE ONE YEAR PRECEDING THE DATE OF THIS LETTER OF OFFER

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Letter of Offer.

SPLIT/ CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Letter of Offer.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the “Financial Information” on page 91, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 63, 59 and 133, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see “Forward Looking Statements” on page 21.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Standalone Financial Statements included in this Letter of Offer. For further information, see “Financial Information” on page 91. In this section, unless the context otherwise requires, a reference to “our Company”, “we”, “us” or “our” is a reference to Swiss Military Consumer Goods Limited on a standalone basis

INTERNAL RISK FACTORS

- 1. The novel coronavirus (Covid-19) pandemic outbreak and steps taken control the same have significantly impacted our business, results of operations, financial condition and cash flows and further impact will depend on future developments, which are highly uncertain.**

The outbreak of COVID-19 was recognized as a public health emergency of international concern on January 30, 2020 and as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, had/have taken preventive or protective actions, such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. The Government of India had announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions. While progressive relaxations have since been granted for movement of goods and people and cautious re-opening of businesses and offices, lockdowns may be reintroduced in the future. Certain countries have reinstated lockdown conditions due to a “second wave” of the COVID-19 outbreak and the discovery of a new strain of the coronavirus in the United Kingdom. Further the State Governments reinstated complete lockdown conditions and/or imposed additional restrictions owing to the “second wave” of the pandemic during the first quarter of the current financial year.

The rapid spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses including retail sector. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. While the Government of India and other governments in the world have initiated its COVID-19 vaccination drive, there is still some uncertainty relating to the impact of the COVID-19 pandemic on the global and the Indian economy, and we are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our business. Accordingly, if the uncertainty relating to the impact of the COVID-19 pandemic continues, our business operations may be impacted adversely.

Furthermore, even though all members of our team are duly vaccinated against Covid still in the event any member or members of our management or operations team being severely impacted by COVID-19, it may potentially affect our operations.

The impact of COVID-19 pandemic on the overall economic environment still being uncertain. Any risks arising on account of a fresh round of COVID-19 such as in relation to lockdown, slowdown of economic activities, loss of life and debilitation of key personnel can have an adverse effect on our business, results of operations, cash flows and financial condition.

We are not able to predict the duration and severity of the economic conditions arising out of a fresh outbreak of COVID-19 pandemic and as a consequence, our financial results for a particular period are difficult to predict.

- 2. Our Company has incurred losses during recent financial years. Such financial losses sustained by us in the most recent financial year, may not be perceived positively by external parties such as investors, clients, customers, bankers etc., which may affect our credibility and business operations.**

Our Company was taken over by a new management during the financial year 2020-21. Further, our Company has recently changed its focus and added new business verticals of marketing and promoting lifestyle products under the brand name “Swiss Military” and has also entered in the business of manufacturing RIFD e-seals. Prior to that the Company was primarily engaged in the business of sale/purchase of securities. Accordingly, there are losses in our recent financial years. However, these losses are not attributable to the business currently being carried out by our Company. The financial loss in the most recent financial year may not be perceived positively by external parties such as investors, clients, customers, bankers etc, which may affect our credibility and business operations. The brief details of our profitability during the last 3 financial years is provided below:

Amount in Rs.

Particulars	Financial Year 2021-22	Financial Year 2020-21	Financial Year 2019-20
Profit After Tax	2,74,70,948	2,56,189	(19,55,067)

3. We generally engage Vendors and Original Equipment Manufacturers (OEMs) to manufacture the products marketed or promoted by us. For our Home Appliances Vertical and Men’s Innerwear & Loungewear verticals, we engage the Vendors and/or OEMs on purchase order basis and do not enter into long term contracts with most of them. In future, if we are not able to maintain relationships with our Vendors and/or OEMs, this could have an adverse effect on our business, prospects, results of operations and financial condition.

The loss of or interruption of work by a significant Vendor and/or OEM or a number of significant Vendors and/or OEMs may have an adverse effect on our revenues, cash flows and operations.

Our business depends on the continuity of our relationship with our Vendors and/or OEMs. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current Vendors and/or OEMs or if we are not able to develop new relationships, the scale of our operations may decline and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future.

4. We are a Company with limited operating history, and therefore investors may not be able to assess our prospects on the basis of historical results.

Our Company recently underwent change in management pursuant to takeover of the Company by the new management in the financial year 2020-21, after following due procedure laid down under the SEBI SAST Regulations. The Company has recently ventured into the business of marketing and promoting life style products under the brand name “Swiss Military” and in the business of manufacturing RIFD e-seals. As on date we do not have significant operating history, and owing to the same it may be difficult to evaluate our current or future prospects on the basis of historical results. Our past performance should not be construed as an indication of our future performance. For details regarding the business and financial information, please refer to the chapter titled “Our Business” beginning on page 63 of this Letter of Offer. Given our limited operating history in the business in which we operate, there will be only limited information based on which the business and our current or future prospects can be evaluated and investment decision be made.

5. Our Company may have potential Conflicts of interest with Companies engaged in similar line of business in which our Promoters have substantial interest.

Our Promoters have interests in other companies viz. Swiss Military Lifestyle Products Private Limited (being one of the Promoters of our Company) and Promoshirt SM Private Limited (being the holding Company of Swiss Military Lifestyle Products Private Limited and an entity which is substantially owned and controlled by Mr. Anuj Sawhney and Mrs. Ashita Sawhney), Even though we have an exclusive license arrangement for the use of brand “Swiss Military” for the Home Appliances Vertical and Men’s Innerwear & Loungewear verticals, as these entities are engaged in business of other lifestyle products under the brand “Swiss Military” and we face the risk of competition from these companies. For details please refer to the Chapter titled “Our Management” and “Our Promoters” on pages 73

and 86 respectively of this Letter of Offer. Further, Other than an exclusive license agreement with Promoshirt SM Private Limited for **Home Appliances Vertical and Men's Innerwear & Loungewear verticals** our Company has not entered into any non-compete agreement with the entities mentioned hereinabove and hence there can be no assurance of any conflict of interests which may arise in allocating or addressing business opportunities and strategies amongst our Company and our other entities in which are Promoters are interested, in circumstances where our interests differ from theirs. In cases of conflict, our Promoters may favour other Companies in which our Promoters have interest. Hence, conflict of interest may occur between our business and the businesses of our Group entity which could have an adverse effect on our business, financial condition, results of operations and prospects.

6. Certain of our Directors and Key Management Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

Certain of our Directors and Key Management Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Key Management Personnel may be deemed to be interested to the extent of equity shares held by them, directly or indirectly, in our Company. Certain of our Directors and Key Management Personnel may also be regarded as interested to the extent of loans availed by our Company from time to time. Except as stated above, none of our Directors and Key Management Personnel has any interest in our Company.

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

We have entered into transactions with our Promoters and other related parties. For a list of related parties, please see "**Financial Information - Annexure VII - Restated Statement of Related Party Transaction**" beginning on page 91 of this Letter of Offer. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise.

8. Our success depends largely upon the knowledge and experience of our Promoters and other Key Managerial Personnel. Any loss of our key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.

Our Promoters Mr. Anuj Sawhney and Mrs. Ashita Sawhney have several years of experience in the operational management, lifestyle branding and related business. Further, our Director and Mentor Mr. Ashok Sawhney has been instrumental in making "Swiss Military" and globally recognised brand name. Over the course of their business dealings, our Promoters and Management have forged strong relationships with various vendors, OEMs, manufacturers and business associates. Owing the global recognition of the brand name "Swiss Military" and an already existing network of our Promoters and our Management, we are able to enter into the business of lifestyle products. Our Company depends on the management skills and guidance of our Promoter for marketing and growth of our business. Our Promoter, along with our key managerial personnel, who form an integral part of our Company,

have over the years built relations with suppliers, customers and other key stakeholders associated with our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our key managerial personnel are unable or unwilling to continue in his / her present position, and if it could be difficult for us to find a suitable or timely replacement than our business could be adversely affected.. This may adversely affect our financial condition and results of operations.

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

Since the Issue size is less than Rs. 10,000.00 Lakh there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

10. Our Company has reported certain negative cash flows from its operating activity, details of which are given below. Sustained negative cash flows could impact our growth and business.

Due to investment in new business verticals to sustain augmented need of capital and working capital, our Company had reported certain negative cash flows from its operating activity and investing activity in the previous years as per the restated financial statements and the same are summarized as under:

(Amount in Rs.)

Particulars	For the year ended March 31,		
	2022	2021	2020
Cash flow from Operating Activities	(9,04,48,579)	(93,27,198)	19,55,163
Cash flow from Investing Activities	(2,99,60,820)	1,93,743	1,37,28,175
Cash flow from Financing Activities	16,57,96,996	-	-

For details, please refer “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 133 of this Letter of Offer.

11. Restriction on renunciation of Rights Entitlement by the members of Promoters and Promoters Group and Restriction on disposal of shares held by the members of the Promoters and Promoters Group.

In terms of the provisions contained in the Articles of Association of the Company, the Board of Directors of our Company, acting in the best interest of the Company, at its discretion may accord right of renunciation to such category of members as it deems fit to the exclusion of the other category of members. Accordingly, the Board of Directors of the Company, in its meeting held on February 25, 2022, have resolved to restrict the right of renunciation available to the members of the Promoters and Promoters Group of the Company. Accordingly, the members of the Promoters and the Promoters Group of our Company shall not have any right to renounce their rights entitlement offered pursuant to the present issue, except to the extent of renunciation within the Promoters Group. Further, the Board of Directors have also restricted disposal of the equity shares held by the

members of the Promoters and Promoters Group, by placing the equity shares, presently held by the members of the Promoters and Promoters Group and also Shares acquired by / allotted to the members Promoters and Promoters Group pursuant to the proposed rights issue, under lock in for a period of upto 3 years, commencing from the date of allotment of securities pursuant to the proposed right issue.



12. We do not own the registered office which is used by us currently.

Our registered office is owned by Mrs. Suman Sawhney, wife of Mr. Ashok Sawhney, Director of our Company and mother of Mr. Anuj Sawhney, Promoter Director of our Company. She had, vide letter dated 01st April 2021, granted our Company to use a part of the said office premises, as our Registered Office.

In the event, the permission to use under which we occupy the aforementioned premises or certain terms and conditions that are unfavourable to us are imposed on us in relation to the afore referred to premises, or if we are otherwise unable to occupy such premises, we may suffer a disruption in our operations, which could have an adverse effect on our business and financial results.

13. The Copy Right and Trademark  is registered in the name of M/s Promoshirt SM S.A. and we are using the said Trademark in terms of License Agreement dated November 12, 2020

M/s Promoshirt SM S.A., a corporation existing under the laws of Switzerland and having its office at Rue Achille - Merguin, 18, 2900 Porrentruy, Switzerland (“Promoshirt SM”) is the owner of Copyright

 and trademark  and “SWISS MILITARY” in about 40 countries, including India. Promoshirt SM is a wholly owned subsidiary of M/s Promoshirt SM Private Limited, which is holding Company of M/s Swiss Military Lifestyle Products Private Limited, an entity belonging to the Promoters Group of our Company. M/s Promoshirt SM Private Limited is ultimately controlled by Mr. Anuj Sawhney and Mrs. Ashita Sawhney, Promoters of our Company. The said trademark is being used by the Company in terms of exclusive basis License Agreement dated November 12, 2020 entered into by and between M/s Promoshirt SM S.A & M/s Promoshirt SM Private Limited. and our Company. Although, we have exclusive rights to use the trade mark within the territory of India for a period of 10 years commencing from November 12, 2020 with the automatic renewal clause of the said trademark license agreement for further term of 10 Years. However, due to unforeseen circumstances, the agreement may be terminated at an earlier instance also. In the event the licence agreement is terminated before expiry of its term or we are unable to renew the licence agreement post the expiry of its terms, the business operations of our Company would be adversely affected.

14. Our inability to promptly identify and respond to changing customer preferences or evolving fashion trends may decrease the demand for our products among our customers, which may adversely affect our business.

The Apparel Vertical of our business presently offers Men’s loungewear and innerwear. People in different geographical locations of India have different shopping patterns and tastes. Our success depends upon our ability to forecast, anticipate and respond to the changing customer preferences

and fashion trends in a timely manner which may include designing new products or modifying our existing products in line with such changing customer preferences and fashion trends. If we fail to identify and respond to such changing customer preferences or evolving fashion trends by suitably launching new products, evolving new designs and/or modifying our existing product line in a timely manner, we may lose or fail to attract our customers, be saddled with obsolete products, thereby increasing dead stock leading to a loss of our brand image amongst our customers, and may have to sell our inventory at a discount. This may have a material adverse effect on our business and results of operations.

15. We are dependent on our Vendors/OEMs to procure our products and do not have any manufacturing facilities of our own. Our business is therefore dependent to a large extent on expected performance and operation of our vendor partners.

We currently do not own any manufacturing facility and procure our products from various vendors /OEMs that we market and promote. We are therefore dependant on third parties for the manufacturing and maintenance of adequate inventory of our apparels, brown goods, and RFID e-seal to ensure that we are able to procure products based on supply necessities. The operations of our vendors' /OEMs are subject to various operating risks, including some which are beyond their control, which may include breakdowns and failure of equipment, industrial accidents, employee unrest, severe weather conditions, natural disasters etc. If, We may be unable to replace our existing vendors/OEMs at short notice, or at all, and may face delays in procurement and added costs as a result of the time required to develop new vendors/OEMs to undertake manufacturing in accordance with our standard processes and quality control standards. If our vendors/OEMs are unable to expand their manufacturing capabilities or face stoppage of the manufacturing process, we may not be able to tap growth opportunities. While we endeavour to have back-up arrangements in place to ensure adequate capacity and sourcing, we cannot assure you that we will always be able to arrange for alternate manufacturing capacity, or alternate sources of our raw materials, at prices acceptable to us, or at all, or that we will be able to pass on any increase in cost to our customers. Sourcing our products from new vendors/OEMs may have an adverse impact on the quality of our products which may in turn have an adverse impact on our results of operations. Any inability on our part to arrange for alternate vendors/OEMs, on commercially acceptable terms, may have an adverse effect on our business, results of operations and financial condition.

While we strive to ensure that our outsourced manufacturers meet stringent quality requirements, we cannot guarantee that the outsourced manufacturers will duly comply with all required processes to ensure the maintenance of quality standards. While we strictly inspect the products upon receipt, any lacunae in quality standards could adversely affect the reputation of our brands. In the event that goods procured by us from external vendors or third party manufacturers and sold to our customers suffer in quality or after sales service provided by them to us or directly to the customers is unsatisfactory, our image and sales could be negatively impacted. Further, any damage or negative publicity in relation to the quality of our products may adversely affect our business and may lead to loss of reputation and revenue. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs. While our staff periodically visits and monitors the operations of our vendors, we do not control these vendors/OEMs or their labour practices nor do we assess their labour practices, either during such visits or in determining sourcing allocations. The violation of or any suspected violation of, labour laws or other applicable regulations by our vendors, could have an adverse effect on our business and results of operations.

16. If any new products that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.

We have recently added new verticals and are engaged in promoting, marketing and selling the products under the umbrella of “Swiss Military” in three new verticals: a) Essentials under Apparel Category - Men’s Innerwear; b) Essentials under Appliances Category - Brown Goods/Home Appliances; and c) Manufacturing RFID e-seals. Going forward, we propose to diversify our product portfolio and add more products to our portfolio based on our own assessment of market, demand and supply position. In future the Company proposes to enter into Women and Kids Apparel Vertical on the Apparels front. Further, the Company also proposes to add cleaning solutions like vacuum cleaners, air purifiers, mops, etc. in the brown goods sector. However, we cannot assure you that any new products launched by us will be accepted by our customers, or that we will be able to recover costs we incurred in developing such products, or that our new products will be successful. If the products that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.

17. Our growth strategy to expand into new geographic areas exposes us to certain risks and if we are unable to identify the right mix of distribution channels in respect of our targeted locations, our business prospects could be adversely affected.

Increasing our presence in new geographical areas across India is one of the principal elements of our growth strategy. We propose to continue with this strategy of entering new geographic areas. Pursuant to our growth strategy and to further deepen our presence pan India, we intend expand our distribution channel which shall increase our reach in various cities and towns.

Pursuing such a growth strategy may expose us to risks which may arise due to lack of familiarity with the development, ownership and management of retail business in certain regions and the customer preferences in such regions.

18. The success of our business depends on our ability to attract and retain customers and maintain consistency in customer service.

Our ability to offer products in line with customer preferences, demand and fashion trends to our customers and maintain our standards of customer service is critical to attract and retain customers. Our ability to attract customers and provide high standards of customer service further depends on our ability to attract and hire the right personnel and also train the personnel in the implementation of our business processes. We cannot assure you that we will be able to recruit and retain the right personnel or our advertising and marketing campaign will be successful in meeting its objectives and provide returns commensurate to the investments made. Any failure to attract new customers or expand our customer base, may materially affect our growth and financial performance.

19. We face competition from existing retailers, online retailers and potential entrants, both domestic and foreign, to the retail industry that may adversely affect our competitive position and our profitability.

Loss of market share and increase in competition may adversely affect our profitability. Further, we face competition from brands who market similar products as us.. The entry strategy of the new

entrants and growth strategy of existing competitors may not be focussed on profitability in the short term. This could adversely affect the profitability dynamics of our business. Some of our competitors may be able to compete more effectively because of their access to significantly greater resources, which may lead to increased competition. Our products compete with non-branded products, economy brands and products of other established brands. Such an increase in competition may cause us to increase our marketing expenditure, reduce prices of our products, thereby reducing margins.

Additionally, we may face competition from international players if foreign participation in our businesses further liberalized. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Moreover, as the industry is highly fragmented, we also face competition from local brands who may, for a variety of reasons, such as easier access to, as well as established personal relationships with, the customers, be able to cater to local demands better than us. Our inability to compete successfully in our industry would materially affect our business prospects and financial condition.

20. All of our product verticals are extremely competitive segments and we face risk of competition affecting our margins and profitability as we scale our operations.

We rely on Vendors/OEMs for manufacturing the products marketed, promoted and sold by us. Since we do not have any exclusive arrangement with our Vendors/OEMs, such Vendors/OEMs may connect with our competitors. In that case, we may not be able to protect our trade secrets and may not be able to detect the same as well. We still have not entered into any non-disclosure agreements with our Vendors/OEMs and thus our efforts towards marketing of our products may be leaked to other players in the market. This may affect exclusivity of our products and make us subject to fierce competition thereby adversely affecting our business, financial condition and results of operations.

21. Our business relies on the reliable performance of its information technology systems and any interruption or abnormality in the same may have an adverse impact on our business operations and profitability.

Our Company utilises its information technology systems to monitor all aspects of its businesses and relies to a significant extent on such systems for the efficient operation of its business, including, the monitoring of inventory levels and budget planning. Our information technology systems may not always operate without interruption and may encounter temporary shut downs or disturbances due to power loss, flood, fire, internet and telecommunication failures, break-ins, natural disasters, computer viruses, ransomware, cybercrime or similar events or may become obsolete. We cannot assure that we will be successful in developing, installing, running and migrating to new software systems or systems as required for its overall operations. Even if we are successful in this regard, significant capital expenditures may be required, and it may not be able to benefit from the investment immediately. All of these may have a material adverse impact on our operations and profitability.

Also, we cannot guarantee that the level of security it presently maintains is adequate or that its systems can withstand intrusions from or prevent improper usage by third parties. Our failure to continue its operations without interruption due to any of these reasons may adversely affect our results of operations.

22. The success of our business is largely dependent upon our senior management and key personnel and our ability to attract and retain them could adversely affect our businesses

Since our Company has recently ventured into the newly launched business verticals, its success and growth is largely dependent upon our management and Directors. We believe that the inputs and experience of our management and key personnel are valuable for the development of business and operations and the strategic directions taken by our Company. Our ability to sustain our growth depends, largely on our ability to attract, motivate and retain highly skilled personnel. An increase in the rate of attrition for our experienced employees, would adversely affect our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those senior management and key personnel who leave. The loss of the services of such personnel and our inability to track fresh talent could adversely affect our sales and profitability.

We have a team of professionals to oversee the operations and growth of our business. Our management team is led by our Director and Manager, Mr. Anuj Sawhney who has around 22 years in operational management, lifestyle branding and related business. Our CFO, Mr. Vijay Kalra, has more than 28 years of experience in Accounts, Finance and Taxation Field. Our success depends in part on our ability to recruit and retain talented professionals such as designers at reasonable rates. We may face competition from other brands in recruiting and retaining employees. The inability to recruit and retain such high quality human resources at reasonable rates could have an adverse effect on our business and financial condition. The loss of service of our senior management and key personnel could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of our senior management and key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to expand our business.

23. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We maintain insurance that we consider to be sufficient typical in our industry in India and in amounts which are commercially appropriate for a variety of risks, including fire and burglary. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our business operations, particularly if the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under such insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. For details of our insurance coverage please refer to heading "Insurance" on page 71.

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits occurs or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. However, in ordinary course of business, there have been no such instances of inadequacy of insurance cover of our assets which had adversely affected our operation and financials in preceding three financial years. Further, despite such uninsured losses we may remain obligated

for any financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business and financial results.

- 24. Security breaches and attacks against our systems and network, and any potentially resulting breach or failure to otherwise protect personal, confidential and proprietary information, could damage our reputation and negatively impact our business, as well as materially and adversely affect our financial condition and results of operations.**

Our cyber-security measures may not detect, prevent or control all attempts to compromise our systems, including viruses, Trojan horses, malicious software, break-ins, phishing attacks, third-party manipulation, security breaches, employee misconduct or negligence or other attacks, risks, data leakage and similar disruptions that may jeopardize the security of data stored in and transmitted by our systems or that we otherwise maintain. Breaches of our cyber-security measures could result in unauthorized access to our systems, misappropriation of information or data, deletion or modification of user information, or a denial-of-service or other interruption to our business operations. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, there can be no assurance that we will be able to anticipate, or implement adequate measures to protect against, these attacks.

EXTERNAL RISK FACTORS

- 25. Our business is affected by prevailing economic, political and other prevailing conditions in India and the markets we currently service.**

Our results of operations and financial condition depend significantly on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Various factors may lead to a slowdown in the Indian, which in turn may adversely impact our business, prospects, financial performance and operations. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other factors. Accordingly, high rates of inflation in India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations. Any slowdown in the economy of the markets in which we operate may adversely affect our business and financial performance of our business and operation.

- 26. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.**

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

27. Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy, the health of which our business depends on.

India has from time to time experienced social and civil unrest and terrorist attacks. These events could lead to political or economic instability in India. Events of this nature in the future could have a material adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, financial condition and trading price of our Equity Shares

28. Investors may have difficulty enforcing foreign judgments against our Company, our Directors or our management.

Our Company is a limited liability company incorporated under the laws of India. All of our Company's Directors and key management personnel are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

29. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, such as application of GST, may adversely affect our business results of operations, cash flows and financial performance.

Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time. For instance, as of July 1, 2017, GST in India replaced taxes levied by central and state governments with a unified tax regime in respect of the supply of goods and services in India. Any adverse changes in any of the taxes levied by the Government of India may adversely affect our competitive position and profitability. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country.

Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

RISKS RELATING TO THE EQUITY SHARES

30. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

31. Our Company will not distribute the Issue Materials to certain overseas Shareholders who have not provided an address in India for service of documents.

Our Company will dispatch the Issue Materials to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions. While our Company had, in the recent past, requested individual overseas shareholders to provide an address in India, our Company cannot assure you that the regulator would not adopt a different view with respect to compliance with the Companies Act and may subject our Company to fines or penalties.

32. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with SEBI - Rights Issue Circular, the credit of Rights Entitlement and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar

not later than two working days prior to the Issue Closing Date (i.e., on or before August 23, 2022) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

- 33. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sales of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.**

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters and members of our Promoter Group, or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

- 34. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.**

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity

Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

- 35. There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchange may adversely affect the trading price of our Equity Shares.**

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be

restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

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

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

37. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

SECTION III - INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on February 25, 2022 pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled “**Terms of the Issue**” on page 156 of this Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto 9,82,96,996 (Nine Crores Eighty Two Lakhs Ninety Six Thousand Nine Hundred and Ninety Six Only) Equity Shares
Rights Entitlement	1 (One) Equity Share for every 1 (One) fully paid-up Equity Share held on the Record Date
Fractional Entitlement	Not Applicable
Record Date	July 23, 2022
Face value per Equity Shares	Rs. 2/- (Rupees Two Only)
Issue Price per Rights Equity Shares	Rs. 4.50/- (Rupees Four and Paise Fifty Only)
Issue Size	The issue of up to 9,82,96,996 (Nine Crores Eighty Two Lakhs Ninety Six Thousand Nine Hundred and Ninety Six Only) Rights Equity Shares aggregating to an amount up to Rs. 44.23 Crores.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and paid up prior to the Issue	9,82,96,996 (Nine Crores Eighty Two Lakhs Ninety Six Thousand Nine Hundred and Ninety Six Only) Equity Shares
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Upto 19,65,93,992 Equity Shares
Money payable at the time of Application	Rs. 4.50/- (Rupees Four and Paise Fifty Only)
Scrip Details	ISIN: INE010C01025 BSE: 523558
Use of Issue Proceeds	For details please refer to the chapter titled “ Objects of the Issue ” on page 51 of this Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled “ Terms of the Issue ” on page 156 of this Letter of Offer.

GENERAL INFORMATION

Incorporation

Our Company was originally incorporated as “Network India Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on January 25, 1989, by the Registrar of Companies, Delhi & Haryana. Subsequently, the certificate of commencement of business was granted to our Company on January 09, 1990, by the Registrar of Companies, Delhi & Haryana. Thereafter, the name of our Company was changed from “Network India Limited” to “Network Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana on November 09, 1990. The name of our Company was changed to its present name “Swiss Military Consumer Goods Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi on December 03, 2020.

Registered and Corporate Office of the Company:

Swiss Military Consumer Goods Limited

W-39, Okhla Industrial Area, Phase-II, New Delhi 110020;

Tel: +91-11- 41067060;

Email : cs@swissmilitaryshop.com

Website : www.swissmilitaryshop.com

CIN : L51100DL1989PLC034797

Registrar of Companies

Registrar of Companies, Delhi & Haryana

E) 4th Floor, IFCI Tower,

61, Nehru Place, New Delhi - 110019,

Tel: Phone: 011-26235703, 26235708

Fax: 011-26235702

E-mail: roc.delhi@mca.gov.in

Board of Directors

Name	Age	Designation	Address	DIN
Anuj Sawhney	48 Yrs	Executive Director in the category of Promoter and Manager	9/27, Nehru Enclave East, Near Kalkaji Police Station, New Delhi - 110019	00471724
Ashita Sawhney	49 Yrs	Non- Executive Director in the category of Promoter	9/27, Nehru Enclave East, Near Kalkaji Police Station, New Delhi - 110019	08612232
Ashok Kumar Sawhney	84 Yrs	Non- Executive Director in the category of Promoter	9/27, Nehru Enclave East, Near Kalkaji Police Station, New Delhi - 110019	00303519
Rajesh Tuteja	61 Yrs	Non-Executive Additional Director in the category of Independent Director	H. No. 339, Sector- 21, Panchkula, Haryana- 134116	08952755

Name	Age	Designation	Address	DIN
Surendra Kumar Bhagat	65 Yrs	Non-Executive Additional Director in the category of Independent Director	B-136, Sector-51, Near City Centre Metro Station, Noida, District Gautam Buddha Nagar, Uttar Pradesh - 201301	09365562
Chirag Gupta	36 Yrs	Non-Executive Director in the category of Independent Director	Parav Mahulla, Samalkha, Panipat, Haryana - 132101	09040722

For detailed profile of our Directors, please refer to the chapter titled “Our Management” on page 73 of this Letter of Offer.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Vikas Jain

Swiss Military Consumer Goods Limited

W-39, Okhla Industrial Area, Phase-II, New Delhi 110020;

Tel: +91-11- 41067060;

Email : cs@swissmilitaryshop.com

Website : www.swissmilitaryshop.com

CHIEF FINANCIAL OFFICER

Mr. Vijay Kalra

Swiss Military Consumer Goods Limited

W-39, Okhla Industrial Area, Phase-II, New Delhi 110020;

Tel: +91-11- 41067060;

Email : vk@swissmilitaryshop.com

Website : www.swissmilitaryshop.com

LEGAL ADVISOR TO THE ISSUE

Ms. Anu Sapra

Address: X-19, Civil Side, Tis Hazari Courts, Delhi

Tel: +91-9213729140;

Email : anusapra67@gmail.com;

BANKERS TO THE COMPANY

HDFC BANK LIMITED

Address: Unit No. 1, A-91, Okhla Industrial Area, Phase 2

Contact Person: Amit Priyadarshi

Tel: 011-61606161

Email: amit.priyadarshi@hdfcbank.com

STATE BANK OF INDIA

Address: State Bank of India, 3, 4 & 5, DDA Building, Nehru Place, New Delhi -110019

Contact Person: Mrs. Babita
Tel: +91-11-26439182
Email: sbi.41077@sbi.co.in

ICICI BANK LIMITED

BRANCH : A-194, OKHLA INDUSTRIAL AREA, PHASE-1, NEW DELHI
Contact Person : Bipin Singh
Contact No. 9560690226
email id : bipinkumar.singh@icicibank.com

LEAD MANAGER TO THE ISSUE

Turnaround Corporate Advisors Private Limited

Address: 714, Vishwadeep Building, Plot No. 4, District Centre, Janakpuri, New Delhi- 110058
Tel: +91-11-45510390
E-mail: info@tcagroup.in
Investor Grievance Email: complaints@tcagroup.in
Website: www.tcagroup.in
Contact Person: Ms. Shweta Gupta/ Mr. Adarsh
SEBI Registration No.: MB/INM000012290

REGISTRAR TO THE ISSUE

Alankit Assignments Limited

Address: 4E/21, Alankit House, Jhandewalan Extension, New Delhi - 110055
Tel : +91-11- 42541234/ 23541234
E-mail: abhinavka@alankit.com
Investor Grievance Email: smcgrights@alankit.com
Website: www.alankit.com
Contact Person: Mr. Abhinav Kumar Agrawal
SEBI Registration No.: INR000002532

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" on page 156.

BANKER(S) TO THE ISSUE /REFUND BANK

Axis Bank Limited

Address: K-1998, Chittaranjan Park, New Delhi-110019
Tel : 9911238586
Fax: 011-26271807
E-mail: satish53.kumar@axisbank.com
Website: www.axisbank.com
Contact Person: Satish Kumar

SEBI Registration No.:INBI00000017

STATUTORY AUDITOR TO THE COMPANY

B. K. Sood & Co., Chartered Accountants

Address: 712, Eros Apartments, 56, Nehru Place, New Delhi- 110019

Tel: +91-11- 26212633, 26443628;

Firm Registration No. : 000948N

Email: bksoodca@gmail.com

EXPERTS

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

Our Company has received written consent dated May 07, 2022 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated May 07, 2022 on our Restated Financial Information for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020; and (ii) Statement of Tax Benefits dated May 07, 2022 included in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

INTER-SE ALLOCATION OF RESPONSIBILITIES AMONG LEAD MANAGER(S)

Since Turnaround Corporate Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

CREDIT RATING

This being an issue of equity shares, no credit rating is required.

DEBENTURE TRUSTEES

This being an issue of Equity shares, appointment of Trustee is not required.

MONITORING AGENCY

Since the net proceeds is less than Rs. 100 Crore, our Company is not required to make arrangements for monitoring agency, in terms of SEBI ICDR Regulations.

DETAILS OF UNDERWRITING

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

CHANGES IN AUDITORS

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Letter of Offer.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer will be filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	August 10, 2022
Last Date for On Market Renunciation of Rights	August 19, 2022
Issue Closing Date*	August 25, 2022

**The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

MINIMUM SUBSCRIPTION

If our Company does not receive the minimum subscription of at least 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. If, there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under "Issue Information" on page 156.

CAPITAL STRUCTURE

Share capital of our Company as at the date of filing of this Letter of Offer with BSE is set forth below:

(Rs. in Lakh, except share data)

Share Capital	Aggregate Value at Face Value	Aggregate Value at Issue Price
(A) Authorized Share Capital		
26,25,00,000 Equity Shares of Rs.2 each	5,250.00	
6,00,000 Preference Shares of Rs. 100 each	600.00	
(B) Issued, Subscribed and Paid-Up Capital before the Issue		
9,82,96,996 Equity Shares of Rs.2 each fully paid up	1965.94	
(C) Present Issue in terms of the Letter of Offer[#]		
9,82,96,996 Equity Shares of Rs. 2 each fully paid up	1965.94	4423.36
(D) Paid up Equity Capital after the Issue		
19,65,93,992 Equity Shares of Rs. 2 each fully paid up*	3931.88*	8846.73
(E) Securities Premium Account		
Before the Issue		764.13
After the Issue		3221.55

The present Issue has been authorized by the Board of Directors pursuant to a resolution passed at its meeting held on February 25, 2022 under Section 62(1)(c) of the Companies Act.

** Assuming full subscription with respect to Rights Equity Shares*

For further details, please refer to the Chapter titled “Issue Information” on page 156 of the Letter of Offer.

Our Company has no outstanding convertible instruments as on the date of the Letter of Offer.

Notes to Capital Structure:

1. Intention and extent of participation by our Promoters and Promoter Group

Pursuant to letter dated May 07, 2022 (“Subscription Letter”), one of our Promoters, M/s Anushi Retail LLP, has undertaken to: (a) subscribe, to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe for

additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. M/s Anushi Retail LLP has, further confirmed that the unsecured loans provided by them may be adjusted towards subscription for its entitlement in the Rights Issue and also towards additional subscription, if any, to the extent of amount of unsecured loans outstanding as on the date of allotment.

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, read with Company's Internal Code for Prevention of Insider Trading (as amended and adopted by the Board of Directors of the Company in its meeting held on June 09, 2021), read with Regulation 4(2)(c)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the trading window for dealing in the securities of the Company was closed for all the Designated Persons of Swiss Military Consumer Goods Limited from February 25, 2022 till 48 hours after the completion of all formalities w.r.t. listing of the Equity Shares offered under the proposed Rights Issue.

Further, the Board of Directors of the Company, in terms of article no. 12(a)(i) of Article of Association of the Company has decided to restrict the right of renunciation of the Promoters and Promoter Group of the Company. The Board has decided that the rights offer to the Promoters and Promoter Group of the Company shall not include an inherent right exercisable by such person to renounce the shares so offered to him/her/it/them in favour of any other person (hereinafter referred to as "right of renunciation"). The Promoters and Promoter Group of the Company may renounce their rights inter-se i.e. only to other members who are Promoters or a part of Promoter Group of the Company

Further, in terms of article no. 57 of Article of Association of the Company the Board of Directors of the Company has prescribed a voluntary lock-in period of 3 (Three) Years (in addition to the lock-in requirements provided under any statutory/regulatory requirement) from the date of allotment of securities pursuant to the proposed right issue, with respect to the

- a) Entire pre offer shares held by the members of the Promoters and Promoters Group of the Company; and
- b) Shares acquired by / allotted to the members Promoters and Promoters Group of the Company pursuant to the proposed rights issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt from the obligation to make an open offer under Regulation 3(2) of SEBI SAST Regulations, in terms of Regulation 10(4)(b) of the said regulations as conditions mentioned therein have been fulfilled. Further the acquisition of additional shares, as referred to herein above, shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI SAST Regulations.

The additional subscription by the Promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the Issuer falling below the level prescribed in SEBI LODR Regulations/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

2. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI SAST Regulations is Rs. 13.49/- per equity share.
3. **Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange in compliance with the SEBI LODR Regulations**
 - a. The shareholding pattern of our Company as on March 31, 2022, can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/swiss-military-consumer-goods-ltd/swissmltry/523558/shareholding-pattern/>
 - b. Statement showing holding of Equity Shares of the Promoter and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on March 31, 2022 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=523558&qtrid=113.00&QtrName=March%202022>
 - c. Statement showing holding of Equity Shares of persons belonging to the category “Public” as on March 31, 2022 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=523558&qtrid=113.00&QtrName=March%202022>
4. **Details of the Shareholders holding more than 1% of the issued and paid-up equity share capital**

The details of shareholders of our Company holding more than 1% of the issued, subscribed and paid-up Equity Share capital of our Company, as on March 31, 2022 is as under:

S. No.	Name of Shareholders	No. of Equity Shares Held	% of Paid-Up Capital
1	Anushi Retail LLP	5,73,51,462	58.35
2	Madhuri Shrimali	33,37,200	3.40
3	Pankaj Shrimali	48,46,800	4.93
4	AAA Products Private Limited	40,80,000	4.15
5	Uninet Strategic Advisory Limited	1,23,95,225	12.61
6	Vardaan Value Trading LLP	10,65,216	1.08

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Adjustment of unsecured loans against the entitlement of promoter;
2. To meet the incremental working capital requirement; and
3. General Corporate Purposes

We intend to utilize the gross proceeds raised through the Issue (the “Issue Proceeds”) after deducting the Issue related expenses (“Net Proceeds”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

DETAILS OF NET PROCEEDS OF THE ISSUE

The details of the estimated proceeds of the Issue are as follows:

Particulars	Amount in Rs. Lakh
Gross Proceeds from the Issue	4423.36
Less: Issue related expenses	35.00
Net Proceeds from the Issue	4388.36

UTILIZATION OF NET PROCEEDS OF THE ISSUE

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

Amount in Rs. Lakh

Particulars	Amount to be funded from the Net Proceeds	Estimated schedule of deployment of Net Proceeds in FY 2022-23
Adjustment of unsecured loans against the entitlement of promoter;	1000.00	1000.00
To meet the incremental working capital requirement	2497.13	2497.13
General Corporate Purposes	891.23	891.23
Net Proceeds from the Issue	4388.36	4388.36

DETAILS OF THE OBJECTS OF THE ISSUE

1. Adjustment of unsecured loans against the entitlement of promoter

Post completion of the takeover of the Company the current management in the year 2020, the Company changed its object to enable it to pursue business of lifestyle products and recently

started business of lifestyle products under the brand “Swiss Military”. Further the Company added following business verticals under the lifestyle products:

- a. Essentials under Apparel Category - Men’s Innerwear
- b. Essentials under Appliances Category - Brown Goods/Home Appliances

Further, the Company has also recently ventured into business of manufacturing RFID e-seal.

Our Company, in order to fund and support the present and new business verticals was in need of finances. Owing to business considerations, the Company opted to raise unsecured loans from M/s Anushi Retail LLP, one of the Promoters of our Company.

Our Company proposes to utilize an estimated amount aggregating to Rs. 1000 Lakh from the Net Proceeds of the Issue towards repayment/prepayment, of identified unsecured loans availed by our Company.

Details of the loans proposed to be repaid/ prepaid out of the Issue Proceeds:

Amount in Rs. Lakh

Name of the Lender	Nature of facility	Principal amount outstanding as on July 08, 2022*	Amount proposed to be repaid out of the net proceeds**	Other terms and conditions
M/s Anushi Retail LLP	Unsecured Loan	1000.00	1000.00	Interest free loan

**Certified by M/s B. K. Sood & Co., Chartered Accountants, Statutory Auditors of our Company vide their certificate dated July 08, 2022. Further, the Statutory Auditors of the Company have certified that the above stated loan has been utilized for the purposes for which it was availed.*

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amount of loans may vary from time to time and accordingly, our Company will repay/prepay the principal amount outstanding as on the date of repayment/prepayment. In case of any surplus after utilization of the Issue Proceeds for the repayment/prepayment of loans, our Company may use such surplus towards General Corporate Purposes subject to total utilization not exceeding 25% of the Gross Proceeds of the Issue. In the event Net Proceeds are insufficient for the repayment/prepayment of loans, such payment shall be made from the internal accruals of our Company.

2. To meet the incremental working capital requirement

The working capital requirements set forth below are our estimates based on past experience and projections for the future in line with our operations.

Our Company’s existing and estimated working capital requirements and funding on a Standalone basis is as follows:

(Amount in Rs. except number of days)

S.No.	Particulars	Holding Period (in terms of number of days)	As on March 31 2022	Holding Period (in terms of number of days)	As on March 31 2023 (Estimated)
		Historical	Audited & Restated	Estimates	
A.	Current Assets				
	Inventories	31	4,76,27,816	60	17,68,00,000
	Trade Receivables	47	7,23,91,851	60	21,66,66,667
	Advance to Suppliers	24	3,64,17,629	12	4,42,00,000
	Other Current Assets	7	1,10,60,045	4	1,47,33,333
	Total Current Assets (A)		16,74,97,341		45,24,00,000
B.	Current Liabilities and Provisions				
	Trade Payables	17	2,55,01,162	12	4,42,00,000
	Other current liabilities	5	75,92,826	2	75,83,333
	Total current liabilities and Provisions (B)		3,30,93,988		5,17,83,333
	Working Capital (A-B)		13,44,03,353		40,06,16,667
	Source of Working Capital				
	Internal Accruals		13,44,03,353		13,44,03,353
	Additional unsecured loan received from Promoters after May 09, 2022				1,65,00,000*
	Issue Proceeds				24,97,13,314

Note:

- * As mentioned on page 54 of the Draft Letter of Offer, the Promoters, may, till the time funds are raised in the issue, infuse funds in the form of unsecured loans so that the working capital requirement of the Company is not hampered or delayed in any manner. One of our Promoters, M/s Anushi Retail LLP, had confirmed vide letter dated May 07, 2022, that the unsecured loans provided by them towards achievement of the objects of the Issue shall be adjusted towards subscription for their entitlement in the Rights Issue and also towards additional subscription, if any, to the extent of their entitlement in the Issue. Since Our Company was in need of working capital, we have received an additional amount of Rs 1,65,00,000 (Rupees One Crore Sixty Five Lakhs) after the date of filing of the Draft Letter of Offer and the date of this Letter of Offer in three tranches as under:

S.no	Amount (in Rs.)	Date
1.	35,00,000	May 12, 2022
2.	100,00,000	June 01, 2022
3.	30,00,000	June 10, 2022

- Existing working capital requirement (as on March 31, 2022) of Rs. 13,44,03,353/- is funded by from internal resources (Unsecured Loan from Promoters and proceeds of the earlier Rights Issue) of the Company.
- Incremental working capital requirement of Rs. 24,97,13,314/- for the year ending on March 31, 2023 is proposed to be funded from Rights Issue Proceeds. In case of shortfall, we may explore a range of options including utilizing our internal resources to fund our incremental working capital requirements.
- The net working capital requirement for the year ended March 31, 2022 is based on the position of the current assets and current liabilities as per the restated standalone audited financial statements of our Company for the year ended March 31, 2022.
- Based on restated standalone audited financial statements of our Company for the year ended March 31, 2022, Operating Sales (net of GST) is Rs. 55,49,67,780/- and purchase of Stock in Trade (net of change in Inventory of Stock in Trade) is Rs. 50,70,82,493/-.
- Incremental working capital requirement for the year ended March 31, 2023 is based on budget for the year and in line with our operations and estimated sales figure of Rs. 1,30,00,00,000 (net of GST) and purchase of Stock in Trade (net of change in inventory of Stock in Trade) of Rs. 1,06,08,00,000/- for year ended March 31, 2023.
- During the year ended March 31, 2022, we have maintained the Inventories for 31 days. However, during the current year (FY 2022-23), we intend to maintain an Inventory of 60 days.
- We are estimating that we will have to extend a credit period of 60 days (2 months) to our customers during FY 2022-23 to expand the business. Further, Trade Payables days is expected to reduce from 17 days in FY 2021-22 to 12 Days in FY 2022-23 to negotiate the better pricing from Our Suppliers/Creditors. Advance to Suppliers days is expected to be 12 days (as compared to 24 days in FY 2021-22).

Clarifications:

It is hereby clarified that no part of the proceeds of the proposed Issue are proposed to be utilised for the purpose of any contract executed/ presently under execution/ to be executed by us for any of its group companies.

3. General Corporate Purposes

We, in accordance with the policies of our Board, will have flexibility in applying the remaining Net Proceeds of this Issue of Rs. 891.23 Lakh, for general corporate purposes inter-alia including but not restricted to strategic initiatives, working capital requirements and strengthening of our marketing capabilities, and such other purposes as may be permitted under applicable statutory/regulatory requirements, and as approved by our Board of Directors.

The quantum of utilization of funds towards each of the above purposes will be determined by the Board of Directors based on the amount actually available under the head “General Corporate Purposes” and the business requirements of the Company, from time to time. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.

REQUIREMENT OF FUNDS

The details of the Net Proceeds are set forth in the following table:

Particulars	Amount in Rs. Lakh
Adjustment of unsecured loans against the entitlement of promoter;	1000.00

To meet the incremental working capital requirement	2497.13
General Corporate Purposes	891.23
Issue related expenses	35.00
Gross Proceeds from the Issue	4423.36

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms 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 from the Issue. The Promoters of the Company, may, till the time funds are raised in the Issue, infuse funds in the form of unsecured loans so that the working capital requirement of the Company is not hampered or delayed in any manner. One of our Promoters, M/s Anushi Retail LLP, has confirmed vide letter dated May 07, 2022, that the unsecured loans provided by them towards achievement of the objects of the Issue shall be adjusted towards subscription for their entitlement in the Rights Issue and also towards additional subscription, if any, to the extent of their entitlement in the Issue.

APPRAISAL

None of the Objects of the Issue have been appraised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2022-23.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Pursuant to letter dated May 07, 2022 (“Subscription Letter”), one of our Promoters, M/s Anushi Retail LLP, has undertaken to: (a) subscribe, to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. M/s Anushi Retail LLP has, further confirmed that the unsecured loans provided by them may be adjusted towards subscription for its entitlement in the Rights Issue and also towards additional subscription, if any, to the extent of amount of unsecured loans outstanding as on the date of allotment.

BRIDGE LOAN

We have not raised any bridge loans which are required to be repaid from the Net Proceeds.

INTERIM USE OF FUNDS

The management, in accordance with the policies set up by the Board, will have flexibility in deploying the net proceeds received by the company from the Issue. Pending utilization for the purposes described above, we intend to deposit the net issue proceeds pending utilization only in the scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934

ISSUE RELATED EXPENSES

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Activity	Expense (in Rs. Lakh)	Percentage of Issue Expenses	Percentage of the Issue size
Fees of the Lead Managers, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	19.00	54.29%	0.43%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	5.00	14.29%	0.11%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	11.00	31.43%	0.25%
Total Estimated Issue expenses	35.00	100.00%	0.79%

INTEREST OF PROMOTERS AND DIRECTORS IN THE OBJECTS OF THE ISSUE

M/s Anushi Retail LLP (Promoter), Mr. Anuj Sawhney (Promoter Director), Mrs. Ashita Sawhney (Promoter Director) and Mr. Ashok Sawhney (Director), may be deemed to be interested in the objects of the issue, which pertain to adjustment of loan availed by the Company from M/s Anushi Retail LLP from the gross proceeds of the issue.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SWISS MILITARY CONSUMER GOODS LIMITED (“THE COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Date: May 07, 2022

To

The Board of Directors

Swiss Military Consumer Goods Limited

W-39, Okhla Industrial Area Phase -II

New Delhi, South Delhi - 110020

India

Dear Sirs,

Sub: Statement of possible Special Tax Benefits available to the Company and its shareholders under the direct and indirect tax laws

We refer to the proposed Right issue offering of equity shares (the “Offer”) of Swiss Military Consumer Goods Limited (“the Company”). We report that there are no possible special tax benefits that are available to the Company and its shareholders as per the provisions of the Indian direct and indirect tax laws, including the Income Tax Act, 1961 (the “IT Act”), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as “Taxation laws”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2023-24 relevant to the financial year 2022-23 for inclusion in the Draft letter of offer as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

This statement is only intended to provide general information to guide the equity shareholders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each equity shareholder is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the equity shareholders to invest or not to invest money based on this statement.

The contents of this certificate are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

- The Company or its Shareholders will obtain any special benefits in future; and
- The conditions prescribed for availing the benefits have been/would be met.

We hereby give our consent to include this report regarding the special tax benefits available to the Company and its shareholders in the Draft letter of Offer which the Company intends to submit to the Securities and Exchange Board of India and the Stock Exchange, provided that the below statement of limitation is included in the Draft Letter of Offer.

LIMITATIONS

Our views expressed in the enclosed certificate are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the existing provisions of Taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this certificate is on the express understanding that we do not assume responsibility towards the Equity shareholders in the Right issue relying on this certificate. This statement has been prepared solely in connection with the Offer of the Company under the ICDR Regulations.

For B.K.Sood & Co.
Chartered Accountants
Firm's Registration No. 000948N

CA Nitin Jain
Partner
Membership No 089895
UDIN: 22089895AIQMMJ7919

Place: Delhi
Date: May 07, 2022

SECTION IV - ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this entire Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 27 and 91, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 27.

Introduction

Indian consumer durables market is broadly segregated into urban and rural markets and is attracting marketers from across the world. The sector comprises of a huge middle class, relatively large affluent class and a small economically disadvantaged class. Global corporations view India as one of the key markets from where future growth is likely to emerge. The growth in India's consumer market would be primarily driven by a favorable population composition and increasing disposable income.

Market Size

- Appliances and consumer electronics industry is expected to double to reach Rs. 1.48 lakh crore (US\$ 21.18 billion) by 2025.
- In May 2021, consumer durables output increased by 98.2%, compared with 70.3% decline in May 2020.
- According to a report by Care Ratings, consumer electronics and appliances manufacturers are set to increase their production by 5-8% in FY22, after witnessing a contraction in demand in FY21.
- According to RedSeer, India's consumer digital economy is projected to reach US\$ 800 billion by 2030, from US\$ 85-90 billion in CY20, driven by increase in online shopping.

Investments

According to Department for Promotion of Industry and Internal Trade, between April 2020 and March 2021 (FY21), exports of electronic goods from India stood at US\$ 11.1 billion.

Between April 2000 and December 2021, Indian electronic goods attracted FDI inflows of US\$ 3.19 billion.

Government Initiatives

- In June 2021, the government extended the production-linked incentive (PLI) scheme for large scale electronics manufacturing by a year (until FY26), giving a boost to the industry.
- The Indian government has been encouraging to consumer durable brands in India to 'Make in India' thereby expecting they should be self-reliant for the future; consumer too are showing an affinity towards homegrown products
- In September 2020, the Government of India planned to offer production-linked incentives worth Rs. 1.68 trillion (US\$ 23 billion) to companies such as consumer appliance, automobile and solar panel to attract companies to establish manufacturing plants in India.
- On November 11, 2020, Union Cabinet approved the Production-Linked Incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.

Road Ahead

Indian appliance and consumer electronics (ACE) market is expected to increase at 9% CAGR to reach Rs. 3.15 trillion (US\$ 48.37 billion) in 2022. Demand growth is likely to accelerate with rising disposable income and easy access to credit. Increasing electrification of rural areas and wide usability of online sales would also aid growth in demand. The government anticipates that the Indian electronics manufacturing sector will reach US\$ 300 billion (Rs. 22.5 lakh crore) by 2024-25.

Note: Conversion rate used for May 2022 is Rs. 1 = US\$ 0.013

(Source: <https://www.ibef.org/industry/indian-consumer-market#>)

Salient features of Kitchen Appliances and/or Brown Goods category:

- ✓ Unorganized players are having major share of the market. This will further reduce due to GST applicability and higher income. People are willing to spend more on branded goods.
- ✓ Narrowing down of price difference between branded and non-branded goods
- ✓ Growing middle class population, increasing urbanization, growing number of women joining the work force and change in lifestyle, are major demand drivers for the brown goods market.
- ✓ India has the youngest population amongst the major countries with an increasing middle class segment.
- ✓ Ecommerce companies provide wider distribution, discounts and easy financing options. This will also drive demand for this segment
- ✓ Festive season sales continue to be growth driver for the segment
- ✓ The advent of IoT and AI in the consumer appliances opens up a wide array of possibilities, given the massive size of the domestic market. Connected devices for consumers have special focus on connected homes and lifestyles. While the users now are mostly from tier 1 cities, we are bound to witness major adoption in tier 2 and tier 3 cities in near future

Salient features of Undergarment/ Innerwear and Loungewear category:

- ✓ Population growth, increasing disposable incomes of consumers and the demand emanating due to change in demographics influence growth in demand.
- ✓ The bulk of the market is dominated by private label brands and small local or regional players.

- ✓ Indians now regard underwear as an accessory, not an everyday item.
- ✓ Factors like growth in income level, gives preference for recognizable brands and rapid growth of retail chains are anticipated to increase the share of the underwear market, that the national brands control.
- ✓ The innerwear industry in India holds immense growth potential and it is evident from the entry of large international brands in the Indian market in the last few years. A key factor characterizing the huge growth in the Indian innerwear market is the increasing size of the organized market and the declining share of the unorganized market, resulting in the growing independent brands taking charge of the market.
- ✓ The Innerwear Category is one of the high growth categories in the apparel market and promises growth and innovation. The higher income, along with higher discretionary spending, growing fashion orientation of consumers and product innovations by the innerwear market have turned innerwear from a traditionally utilitarian item to an essential fashion requirement.

RFID Market

The global RFID market is estimated to be USD 10.7 billion in 2021 and projected to reach USD 17.4 billion by 2026; at a CAGR of 10.2%. Key factors fuelling the growth of this market include growing market competitiveness leading to availability of cost-effective RFID solutions, high returns on investment, increasing regulations and government initiatives for various industries, and increasing installation of RFID systems in manufacturing units to improve productivity.

RFID Market Dynamics

Driver: Increasing installation of RFID systems in manufacturing units to improve productivity due to COVID-19

Manufacturing facilities need to monitor equipment condition and performance, defects in processes, and system failures, and ensure predictive maintenance of equipment and systems through the integration of specialized tools and adoption of quality management practices. The use of RFID technology for plant asset management helps manufacturers achieve this goal. A combination of RFID tags and sensor solutions is an ideal solution for various locations in a manufacturing facility, such as conveyors, cameras, boilers, tanks, pipes, etc., to manage and maintain the quality and output of a manufacturing process. RFID tags are attached to movable assets in the industries such as tools, manufacturing equipment, and process components (e.g., doors, engine, wheels, mirrors, and other parts of an automobile) that are part of a final product to track them in the process. The use of RFID solutions not only helps track the parts but also helps understand the lifecycle of manufacturing equipment. The increase in penetration of these solution is projected to increase worldwide with the growth of the RFID market.

In the current scenario of the COVID-19 pandemic, many companies have faced a slowdown in operations due to the lockdown and restrictions on working norms from governments. Companies need to ensure adherence to social distancing mandates within the plant. Using RFID technology with industrial automation solutions, companies can revive faster than what was predicted during mid-2020. The benefits of RFID help manufacturers not only track the parts and equipment remotely but also help to identify if more than the stipulated number of people have gathered at a point.

Opportunity: Rising need for contact-tracing solutions due to COVID-19

Many businesses and offices worldwide have resumed their operations after the COVID-19-induced lockdowns were lifted. However, governments have mandated such companies to maintain social distancing and low employee capacity. If the norms are not followed, a single case of COVID-19 can potentially lead to the closure of an entire facility and require decontamination before restarting the operations. To avoid such a situation, large companies are undertaking various precautionary measures, including contact-tracing solutions. To capitalize on the growing need for contact-tracing solutions, many RFID solutions providers have been launching new products or enhancing existing products to suit the needs of their customers during the COVID-19 pandemic.

Challenges: Lack of awareness about RFID solutions and expert workforce

Currently, the awareness about the RFID technology among end users is very low. End users are still working with traditional identification practices such as alphanumeric labeling, numbering, or barcodes for tracking the assets manually. The use of RFID technology is assumed to be expensive by many end users due to low or no acknowledgment of its long-term benefits. Traditional asset tracking is majorly followed in many countries in APAC and RoW. The customers lack the knowledge and expertise regarding RFID technology, due to which they fail to leverage the potential benefits of RFID in their business. These factors act as barriers to the adoption of RFID solutions.

The logistics and supply chain application held largest share of RFID tag market in 2020

The dominance of this segment is due to the high adoption of tracking systems by logistics organizations to track and monitor their cargo in transit through air, road, or marine. RFID solutions help industries optimize their supply chain by better managing warehouse inventory, tracking shipments, and streamlining the best route for the supply chain. Supply chain companies are facing major issues in ensuring that the right product is delivered at the right location at the right time. Such companies are deploying RFID tags on containers and freight systems to have real-time visibility of the cargo. The involvement of governments in the global supply chain has led to the use of RFID tags on freight to locate and track them for secure transport. These activities are expected to drive the growth of the RFID tag market for logistics and supply chain application.

(Source: <https://www.marketsandmarkets.com/Market-Reports/rfid-market-446.html>)

Good practices of RFID technology application

There are a lot of RFID projects carried out across the container terminal around the world. Italy-based Consultancy Company conducted two different RFID projects that provides process and management consulting services, innovative technological and digital solutions in ports, maritime and intermodal logistics market. They develop an innovative modular solution for digitalizing, automating and optimizing transport and logistics operations and allows logistics terminals, shippers and port authorities to speed up their procedures, enhancing their visibility of goods and reducing transit time along the entire supply chain.

IoT allows authorized companies and authorities (shippers, Port Authorities, logistics terminals, Customs Administrations, etc.) to access status information of monitored units (such as container, cars, trailers, etc.), matching logistics data with security information, supporting the related changes in business processes and the opportunities for process automation. IoT has a special focus on the integration of GPS, RFID active and passive technologies (Tags and ESeals) into the full logistic chain business processes.

OUR BUSINESS

Some of the information in this chapter, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 27, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 91 and 133, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Audited Financial Statements, for details refer to “Restated Financial Information” on page 91 of the Letter of Offer.

OVERVIEW

Our Company was originally incorporated as “Network India Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on January 25, 1989, by the Registrar of Companies, Delhi & Haryana. Subsequently, the certificate of commencement of business was granted to our Company on January 09, 1990, by the Registrar of Companies, Delhi & Haryana. Thereafter, the name of our Company was changed from “Network India Limited” to “Network Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana on November 09, 1990. The name of our Company was changed to its present name “Swiss Military Consumer Goods Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi on December 03, 2020

The Corporate Identification Number of our company is L51100DL1989PLC034797.

Our Company is involved in promoting, marketing and selling the products under the brand “Swiss Military”.

Our Company is Promoted by Mr. Anuj Sawhney, Mrs. Ashita Sawhney, M/s Anushi Retail LLP, M/s Swiss Military Lifestyle Products Private Limited and other members of the Promoter Group

I. DETAILS OF THE BUSINESS OF THE ISSUER

a. Primary business of the Issuer:

Our Company is primarily engaged in the business of promoting, marketing and selling life style products of all kinds including but not limited to travel gear, bags, key chains, mugs, golf accessories, electric and electronic products, gift items of all kinds & all other allied items, under the brand “Swiss Military”.

The Company has also added following business verticals in the lifestyle product category in which the Company presently operates:

- Essentials under Apparel Category - Men’s Innerwear
- Essentials under Appliances Category - Brown Goods/Home Appliances

Further, the Company has also started the business of developing, designing, manufacturing, importing, exporting, distributing Radio Frequency Identification (RFID) logistics or container seals, Radio Frequency Identification (RFID) and Geographic Information system (GIS) products & solutions and now company is ready for the next leap of business of RFID e-seal and ready to commence operation.

The Company operates from its registered office located at W-39, Okhla Industrial Area, Phase-II, New Delhi 110020.

The said premises where the Registered Office of the Company is situated, is owned by Mrs. Suman Sawhney, wife of Mr. Ashok Kumar Sawhney and mother of Mr. Anuj Sawhney, our Promoter Director. The said office premises is being used by the Company as its Registered Office in terms of No Objection Letter from Mrs. Suman Sawhney dated 01st April 2021. The Company is using a portion of the said premises for its operations.

b. Plant, machinery, technology, process, etc.:

Since our Company is primarily engaged in the business of promoting, marketing and selling the products under the brand “Swiss Military”, we don’t own any Plant and Machinery.

Further, no part of the proceeds from the issue would be utilized for purchase of or for procuring Plant and Machinery.

c. Collaborations, any performance guarantee or assistance in marketing by the collaborators:

Nil

d. Infrastructure facilities for raw materials and utilities like water, electricity, etc.

i. Infrastructure Facilities

The premises where our Registered Office is located, is well equipped with computer systems, internet connectivity, other communication equipment and other facilities, which are required for our business operations to function smoothly.

ii. Raw Material

Since our Company is getting products manufactured through OEM route, therefore we do not have any requirements for procurement of Raw Material.

iii. Power

The premises from which we operate our Registered Office, has adequate power supply arrangements for our Registered Office from BSES Rajdhani Power Limited.

iv. Water

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

e. **Products:**

Our Brand:

“Swiss Military” is an internationally renowned and celebrated Swiss brand which is duly registered in over 40 countries and has a Global presence since many decades. Over the decades of the brands’ existence, it has made a strong presence in 26 countries globally, with brand registrations in 40 countries across various product segments namely travel gear, writing instruments, watches, home appliances garments, innerwear, loungewear, accessories, kitchenware, eye wear, leather goods, outdoor/hiking, footwear, cosmetics & electronics with over 1900 present SKUs in the global portfolio. Over the years the brand has made its global footprint and is synonymous with affordable lifestyle products.

The brand is owned by M/s Promoshirt SM S.A., a Swiss Company which is a wholly owned subsidiary of M/s Promoshirt SM Private Limited, which is the holding Company of M/s Swiss Military Lifestyle Products Private Limited, an entity belonging to the Promoters of our Company. M/s Promoshirt SM Private Limited is ultimately controlled by Mr. Anuj Sawhney and Mrs. Ashita Sawhney, Promoters of our Company.

Our company has entered a long term exclusive License agreement dated 12th November 2020 with M/s Promoshirt SM S.A. and Promoshirt SM Private Limited for the exclusive use of the brand “Swiss Military” in India for the following product categories:

- a) Home Appliances
- b) Innerwear
- c) Loungewear

During the financial year 2020-21 M/s Anushi Retail LLP, Mr. Anuj Sawhney, Mrs. Ashita Sawhney, M/s Swiss Military Lifestyle Products Private Limited were inducted as joint Promoters of the Company, post takeover of management and control over the Company after following the procedure as laid down under SEBI SAST Regulations. The new management added following business verticals under the lifestyle products: a. Essentials under Apparel Category - Men’s Innerwear; and b. Essentials under Appliances Category - Brown Goods/Home Appliances. Further, the Company has also recently ventured into business of manufacturing RFID e-seals.

Nature of Our Product

Presently our Company primarily engaged in the business of promoting, marketing and selling life style products under the brand “Swiss Military”. The Company following are the business verticals in which the Company presently operates:

- Essentials under Apparel Category - Men’s Innerwear
- Essentials under Appliances Category - Brown Goods/Home Appliances
- Manufacturing RFID e-seals

- **Essentials under Apparel Category - Men’s Innerwear**

This vertical essentially encompasses following product portfolio:

Inner Wear	Socks	Towels
○ Briefs	○ Crew Socks Angle Length	○ Bath Towel

<ul style="list-style-type: none"> ○ Trunks ○ Boxer Shorts ○ Vests ○ Swim Wear ○ Sports Wear 	<ul style="list-style-type: none"> ○ Low Cut ○ No Show ○ Socks Insoles 	<ul style="list-style-type: none"> ○ Hand Towel ○ Face Towel ○ Hair Towel
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➤ **Essentials under Appliances Category - Brown Goods/Home Appliances**

This vertical essentially encompasses following product portfolio:

Preparation before cooking (Chopping/ Blending/ Grinding/ Processing)	Food preparation (Pressure cooking/ Cooking/ Sautéing, frying etc./ Baking)	Kitchen supplements (Heaters/ Toasting/ Beverage makers)	Kitchen Hardware (Chimneys/ Store-ware)
<ul style="list-style-type: none"> ○ Mixer grinders ○ Food Processors ○ Choppers ○ Blenders ○ Juicers ○ Grinders 	<ul style="list-style-type: none"> ○ Rice Cookers ○ Non-Stick Cookware ○ LPG Gas Stoves ○ Induction Cook Tops ○ LPG Hobs ○ Hob-Tops ○ OTG's ○ Barbecues 	<ul style="list-style-type: none"> ○ Kettles ○ Pop up Toasters ○ Sandwich Toasters ○ Coffee Makers ○ Tea Makers 	<ul style="list-style-type: none"> ○ Complete Kitchen Solutions.

The products promoted/ marketed by the Company are sourced from local vendors who work with us on contract basis. These local vendors/original equipment manufacturers (OEMs), manufacture the final products based on the specifications and quality benchmark provided by the Company. Our Company's core focus is on the business operations and our vendors take care of manufacturing of the products.

Our Company believes in promoting quality products and hence our main task is to choose vendors who would be working with us. The Company has a long-drawn vendor approval process which ensures that the vendors working with us understand and share our vision.

➤ **Manufacturing RFID e-seals**

RFID technology is a sensory technology which finds and tracks the products through the transmission of radio waves between an RFID tagged item and an RFID reader. RFID can be deployed in more than five frequency ranges, which are deployed depending on the business problem being solved.

RFID use varies by segment, with asset management beginning to lead adoption. In the transport industry, RFID along with other innovations in Information and Communication Technology (ICT) is being utilized in identifying vehicles locations and containers which use e-seals.

Our Company has recently acquired a wholly owned subsidiary company in the name of AAA Shenyang Container Seal Private Limited, for the purpose of producing e-seals, other security seals and parts, communication equipment, electronic information technology development, electronic product sales and import and export of business.

f. **The approach to marketing and proposed marketing set up.**

Our Mentor and director, Mr. Ashok Kumar Sawhney, has already been successful in making the Brand “Swiss Military” known globally. Apart from that our top management has requisite experience in marketing lifestyle products. As on date the marketing and branding exercise is handled by our in-house team, under the leadership of our Promoter Directors and our Mentor Mr. Ashok Sawhney.

g. **The export possibilities and export obligations, if any.**

The company does not have any export obligations as on the date of this Letter of Offer. In future the Company may look into possibility of marketing its products in international market as well.

h. **Competition**

We face the competition in our business from presence of large number of players in the domestic consumer durables industry and/or men’s innerwear industry. We compete with our competitors on product line basis. However, we believe that the longstanding presence of our brand in the local as well as international market provides us a competitive edge.

II. OUR COMPETITIVE STRENGTH

- ***Rich experience of our Promoters and Management***

Our Promoters and Management have rich and vast experience of almost 2 decades in successfully operating the business. Owing to the vast experience, our Promoters and Management have knowledge of core aspects of our Business, which give us an edge over our competitors operating in similar segment.

- ***Brand Recognition***

Our Brand “Swiss Military” is well established brand with its presence in local as well as international markets. Further, our brand has longstanding presence in the market, which instills faith in the consumers across all geographies.

- ***Diversification of range of products into the competitive market.***

Under the guidance of our Promoters and our Management, the Company shall be further diversifying its product portfolio by adding various verticals to our already existing business. In future the Company proposes to venture into the vertical of Women and Kids Apparels, and in providing cleaning solutions like vacuum cleaners, air purifiers, mops, etc. in the brown goods sector.

- ***Sustainability of the already established products in the market.***

Our Brand Name and products have been in the market for very long time. Our Management and Promoters have been successful in making “Swiss Military” brand name recognized across the global markets as a brand synonymous with providing quality products at an affordable price. Owing to our existing presence in the market, we enjoy confidence from consumers in the products marketed under the brand name “Swiss Military”.

- ***Quality, standards and utility of the products well known among the customers.***

Our existing customers have faith in the products marketed by us. Our Promoters and Management has been engaged in the business of lifestyle products for almost 2 decades. Owing to our longstanding presence in the market coupled with the quality of products offered by us, our Promoters and Management have successfully built brand image for our brand “Swiss Military”. Our main focus is on delivering quality products and we adhere to high standards for the products marketed by us.

III. BUSINESS STRATEGY

→ Expand and strengthen our distribution network

We will continue to expand in markets where we see a growing demand for our products and where we can leverage our brand to expand our market share. We plan to increase our presence in across all geographies.

We believe that the growing internet penetration in Indian cities, has increased the potential of growth in the e-commerce and online shopping space. Our ongoing collaboration with other online players enable us to tap into the growing online shopping experience. We will continue to develop e-commerce channels which provide us with additional means of reaching out to our customers. We believe that developing and expanding our presence in the online space will aid our customer acquisition efforts and help us to increase and diversify our customer base.

→ Diversify our Product Portfolio

Going forward, we propose to diversify our product portfolio and add more products to our portfolio based on our own assessment of market, demand and supply position. In future the Company proposes to enter into Women and Kids Apparel Vertical on the Apparels front. Further, the Company also proposes to add cleaning solutions like vacuum cleaners, air purifiers, mops, etc. in the brown goods sector. Apart from the above, the Company has already commenced its operations in the manufacturing of RFID E-Seal.

→ Leveraging our brand name “Swiss Military”

Our Company believes that our business model inherently is based on our brand name “Swiss Military”. Our brand “Swiss Military”, is a well-established brand with global presence and is synonymous with providing quality products at affordable price. We aim to enhance the growth by leveraging on our brand name and brand recognition. In future we plan to market more products under our brand name “Swiss Military”.

IV. CAPACITY AND CAPACITY UTILISATION:

Since our Company is engaged in business of promoting, marketing and selling the products under the brand “Swiss Military”, capacity and capacity utilisation is not applicable to us.

V. INTELLECTUAL PROPERTY RIGHTS

Trademarks and Patents are essential to our business to strengthen our competitive position. Accordingly, our company has entered a long term exclusive License agreement dated November

12, 2020 with M/s Promoshirt SM S.A. and Promoshirt SM Pvt Ltd for the exclusive use of brand “Swiss Military” in India for the following product categories:

- a) Home Appliances
- b) Innerwear
- c) Loungewear

We also enter into trade secret agreements, confidentiality agreements with our employees, third parties etc. to protect our technology, processes and products. Please find below details of trademarks and patents registered by the Company:


PATENTS

Nil

TRADEMARKS

M/s Promoshirt SM S.A., a corporation existing under the laws of Switzerland and having its office at Rue Achille - Merguin, 18, 2900 Porrentruy, Switzerland (“Promoshirt SM”) is the owner of



Copyright and trademark  and “SWISS MILITARY” in about 40 countries, including India. Promoshirt SM is a wholly owned subsidiary of M/s Promoshirt SM Private Limited, which is holding Company of M/s Swiss Military Lifestyle Products Private Limited, an entity belonging to the Promoters Group of our Company. M/s Promoshirt SM Private Limited is ultimately controlled by Mr. Anuj Sawhney and Mrs. Ashita Sawhney, members of the Promoters Group of our Company. The said trademark is being used by the Company in terms of License Agreement dated November 12, 2020 entered into by and between M/s Promoshirt SM S.A. and our Company.

VI. LAND & PROPERTY

The Company occupies the following immovable properties:

S.No.	Location of Property	Activity carried on by the Company	Title of the Company	Lessor/ Licensor (if applicable)
1.	W-39, Okhla Industrial Area, Phase-II, New Delhi 110020	Registered and Corporate Office	No Objection Letter	Mrs. Suman Sawhney

There is no property that has been purchased or acquired by the Company or is proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by this Letter of Offer or the purchase or acquisition of which has not been completed at the date of issue of the Letter of Offer.

VII. EMPLOYEES

As on the date of this Letter of Offer, our Company has 70 (Seventy) employees on its payroll. The Company has not engaged any contract labour. The breakup of our manpower is as follows:

S. No.	Particulars	No. of persons
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1.	Executive Director(s)	01
1.	KMPs	02
3.	Other Staff	67

VIII. INSURANCE

The following are the details of insurance policies taken by us:

S. NO.	NAME OF POLICY	POLICY NUMBER	INSURANCE COMPANY	LOCATION AND ASSETS COVERED IN POLICY	COVERA GE (IN RS LAKH)	EXPIRY DATE
1	NEW INDIA BHARAT SOOKSHMA UDYAM SURAKSHA POLICY	31060011228000 000046	THE NEW INDIA ASSURANCE CO. LTD.	GROUND FLOOR, KHASRA NO. 551-552, NAYAK MOHALLA, NEAR HOLI CHOWK, OPP PARK, V.PO., BIJWASAN, N DELHI JAI BHAGWAN UNIT NO.- 1-6, BUILDING NO.- A4, GREEN SPACE, BHIWANDI, THANE- 421302, MAHARASTHRA ON STOCK OF ADAPTOR, ADVENTURE KIT,BAG,BAGGAGE BELT, CAP,GOLF ITEMS, KEY CHAINS,KNIFE, LIGHTER,MONEY CLIPS, MUGS, MULTI TOOL, PACKING MATERIAL,PEN,POUCH, TORCH,TOYS, T-SHIRT, WALLET, WATCHES & ALL OTHER GOODS RELATING TO	100	05.05.20 23

				INSUREDS TRADE & SIMILAR		
2	BURGLARY (Single Location) INSURANCE	31060046220100 000026	THE NEW INDIA ASSURANCE CO. LTD.	GROUND FLOOR, KHASRA NO. 551-552, NAYAK MOHALLA, NEAR HOLI CHOWK, OPP PARK, V.PO., BIJWASAN, N DELHI ON STOCK OF ADAPTOR, ADVENTURE KIT,BAG,BAGGAGE BELT, CAP,GOLF ITEMS, KEY CHAINS,KNIFE, LIGHTER,MONEY CLIPS, MUGS, MULTI TOOL, PACKING MATERIAL,PEN,POUC H,TORCH,TOYS, T- SHIRT, WALLET, WATCHES & ALL OTHER GOODS RELATING TO INSUREDS TRADE & SIMILAR	100	05.05.20 23
3	NEW INDIA BHARAT SOOKSHMA UDYAM SURAKSHA POLICY	31270011218000 000166	THE NEW INDIA ASSURANCE CO. LTD.	Location: W-39, Okhla Industrial Area, Phase-II, New Delhi 110020 Assets Covered: Stock In Process	100	13.07.20 22
4	BURGLARY (Single Location) INSURANCE	31270046210100 000124	THE NEW INDIA ASSURANCE CO. LTD.	Location: W-39, Okhla Industrial Area, Phase-II, New Delhi 110020	100	13.07.20 22

				Assets Covered: Stock of Garments, Home Appliances, Kitchen Appliances & Electronics Items		
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OUR MANAGEMENT

BOARD OF DIRECTORS

Currently, our Company has 06 (Six) Directors on its Board, including 03 (Three) Independent Directors and one Women Director.

The following table sets forth the details regarding the Board of Directors as on the date of filing of this Letter of Offer.

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Anuj Sawhney</p> <p>DIN: 00471724</p> <p>Designation: Director and Manager</p> <p>Date of Birth: March 09, 1974</p> <p>Age: 48 Years</p> <p>Qualification: Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee</p> <p>Experience: around 22 years in operational management, lifestyle branding and related business.</p> <p>Address: 9/27, Nehru Enclave East, Near Kalkaji Police Station, New Delhi - 110019</p> <p>Occupation: Business</p> <p>Date of expiration of current term of office of Director: Liable to retire by rotation</p> <p>Date of expiration of current term of office of manager: For a period of five years with effect from September 23, 2020</p> <p>Period of Directorship: Since September 23, 2020</p>	<ol style="list-style-type: none"> 1. Anushi Retail LLP 2. Swiss Military Lifestyle Products Private Limited 3. Promoshirt SM Private Limited 4. AAA Shenyang Container Seal Private Limited

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Ashita Sawhney</p> <p>DIN: 08612232</p> <p>Designation: Director</p> <p>Date of Birth: July 10, 1973</p> <p>Age: 49 years</p> <p>Qualification: B.A (Honours) from Jesus & Mary College, Delhi.</p> <p>Experience: around 12 years in business development, lifestyle branding and related business.</p> <p>Address: 9/27, Nehru Enclave East, Near Kalkaji Police Station, New Delhi - 110019</p> <p>Occupation: Business</p> <p>Date of expiration of current term: Liable to retire by rotation</p> <p>Period of Directorship: Director of the Company since September 23, 2020</p>	<ol style="list-style-type: none"> 1. Anushi Retail LLP 2. Swiss Military Lifestyle Products Private Limited 3. Promoshirt SM Private Limited

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Ashok Kumar Sawhney</p> <p>DIN: 00303519</p> <p>Designation: Director</p> <p>Date of Birth: July 01, 1938</p> <p>Age: 84 years</p> <p>Qualification: BA</p> <p>Experience: He has over 5 decades of experience in wrist watch dial manufacturing and successfully running business life style products.</p> <p>Address: 9/27, Nehru Enclave East, Near Kalkaji Police Station, New Delhi - 110019</p> <p>Occupation: Business</p> <p>Date of expiration of current term: Liable to retire by rotation</p> <p>Period of Directorship: Director of the Company since September 04, 2021</p>	<ol style="list-style-type: none"> 1. Sadhna Dials Private Limited 2. Standard Suppliers Private Limited 3. Sawhney Bizline Solutions Private Limited 4. Investech Research India Limited 5. Sawhney Logistics Private Limited 6. AAA Shenyang Container Seal Private Limited

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Rajesh Tuteja</p> <p>DIN: 08952755</p> <p>Designation: Independent Director</p> <p>Date of Birth: September 01, 1960</p> <p>Age: 61 years</p> <p>Qualification: A qualified Chartered Accountant and Company Secretary and holds a degree in Law</p> <p>Experience: He was an IRS Officer, who retired as Director General of Income Tax in the year 2020. He has over 30 years' experience in different capacities in administrative capacity for managing Income Tax taxation as well as Investigation and Intelligence.</p> <p>Address: H. No. 339, Sector- 21, Panchkula, Haryana- 134116</p> <p>Occupation: Business Consultant</p> <p>Date of expiration of current term: till ensuing Annual General Meeting of the Company</p> <p>Period of Directorship: Since October 23, 2021</p>	<ol style="list-style-type: none"> 1. Anant Raj Limited 2. Orchid Infrastructure Developers Private Limited

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Surendra Kumar Bhagat</p> <p>DIN: 09365562</p> <p>Designation: Independent Director</p> <p>Date of Birth: June 12, 1957</p> <p>Age: 65 years</p> <p>Qualification: Degree in Masters in Political Science from Hindu College, Delhi</p> <p>Experience: He was an IPS Officer. He served as SP/SSP of several districts of UP; as SP and DIG in CBI; as IG in Sashastra Seema Bal; as ADG (Admin.) (Law & Order), and DG Vigilance in Uttarakhand. He was Special DG CRPF J&K Zone before taking over as Director General, Railway Protection Force. He is the recipient of several awards, including Kathin Sewa Padak and President's Police Medal for Distinguished Service.</p> <p>Address: B-136, Sector-51, Near City Centre Metro Station, Noida, District Gautam Buddha Nagar, Uttar Pradesh - 201301</p> <p>Occupation: Business Consultant</p> <p>Date of expiration of current term: till ensuing Annual General Meeting of the Company</p> <p>Period of Directorship: Since October 23, 2021</p>	<p>Nil</p>

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Chirag Gupta</p> <p>DIN: 09040722</p> <p>Designation: Independent Director</p> <p>Date of Birth: May 21, 1986</p> <p>Age: 36 years</p> <p>Qualification: Qualified Chartered Accountant</p> <p>Experience: He is having over 09 years of diversified experience in Financial Planning and Analysis, Budgeting, Financial Controlling etc. in various brands across Indian Corporates and MNCs.</p> <p>Address: Parav Mahulla, Samalkha, Panipat, Haryana - 132101</p> <p>Occupation: Chartered Accountant</p> <p>Date of expiration of current term: January 2026</p> <p>Period of Directorship: Since January 27, 2021</p>	<p>1. AAA Shenyang Container Seal Private Limited</p>

Brief Profile of our Directors

Mr. Anuj Sawhney, Director and Manager

Mr. Anuj Sawhney, aged about 48 years, is a Promoter Director of the Company. He is Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee. He has experience of around 22 years in operational management, lifestyle branding and related business.

Mrs. Ashita Sawhney, Director

Mrs. Ashita Sawhney, aged about 49 years, is a Promoter Director of the Company. She is Graduate in B.A (Honours) from Jesus & Mary College, Delhi. She has experience of around 13 years in business development, lifestyle branding and related business.

Mr. Ashok Kumar Sawhney, Director

Mr. Ashok Kumar Sawhney, aged about 84 years, is a Director of the Company. He is the one instrumental in making “Swiss Military” a globally recognized, renowned and celebrated brand. He is a visionary, eminent author, poet and entrepreneur. For his unique sense of entrepreneurship, he has been felicitated with innumerable accolades. The 'Udyog Patra' Award by The Institute of Trade and Industrial Development in 2003. In 2012, the 'Lifetime Achievement Award' by Samaya Bharati, Asia's leading monthly watch trade magazine. The 'Samay Ratna' award for his services as the president of All-India Watch Association. India CSR, world's popular CSR Network, has honoured him with Lifetime Achievement Award for his excellent service to the society and people of India.

Mr. Rajesh Tuteja, Independent Director

Mr. Rajesh Tuteja, aged about 61 years, is Non-Executive Additional Director appointed in the capacity of an Independent Director of the Company. He is qualified Chartered Accountant and Company Secretary and holds a degree in Law. He was an IRS officer, who retired as Director General of Income Tax in the year 2020. He has over 30 years' experience in different capacities in administrative capacity for managing Income Tax taxation as well as Investigation and Intelligence.

Mr. Surendra Kumar Bhagat, Independent Director

Mr. Surendra Kumar Bhagat, aged about 65 years, is Non-Executive Additional Director appointed in the capacity of an Independent Director of the Company. He holds a degree in Masters in Political Science from Hindu College, Delhi. He was an IPS officer. He served as SP/SSP of several districts of UP; as SP and DIG in CBI; as IG in Sashastra Seema Bal; as ADG (Admin.) (Law & Order), and DG Vigilance in Uttarakhand. He was Special DG CRPF J&K Zone before taking over as Director General, Railway Protection Force. He is the recipient of several awards, including Kathin Sewa Padak and President's Police Medal for Distinguished Service.

Mr. Chirag Gupta, Independent Director

Mr. Chirag Gupta, aged about 36 years, is Non-Executive Independent Director of the Company. He is a qualified Chartered Accountant. He is having over 10 years of diversified experience in Financial Planning and Analysis, Budgeting, Financial Controlling etc. in various brands across Indian Corporates and MNCs.

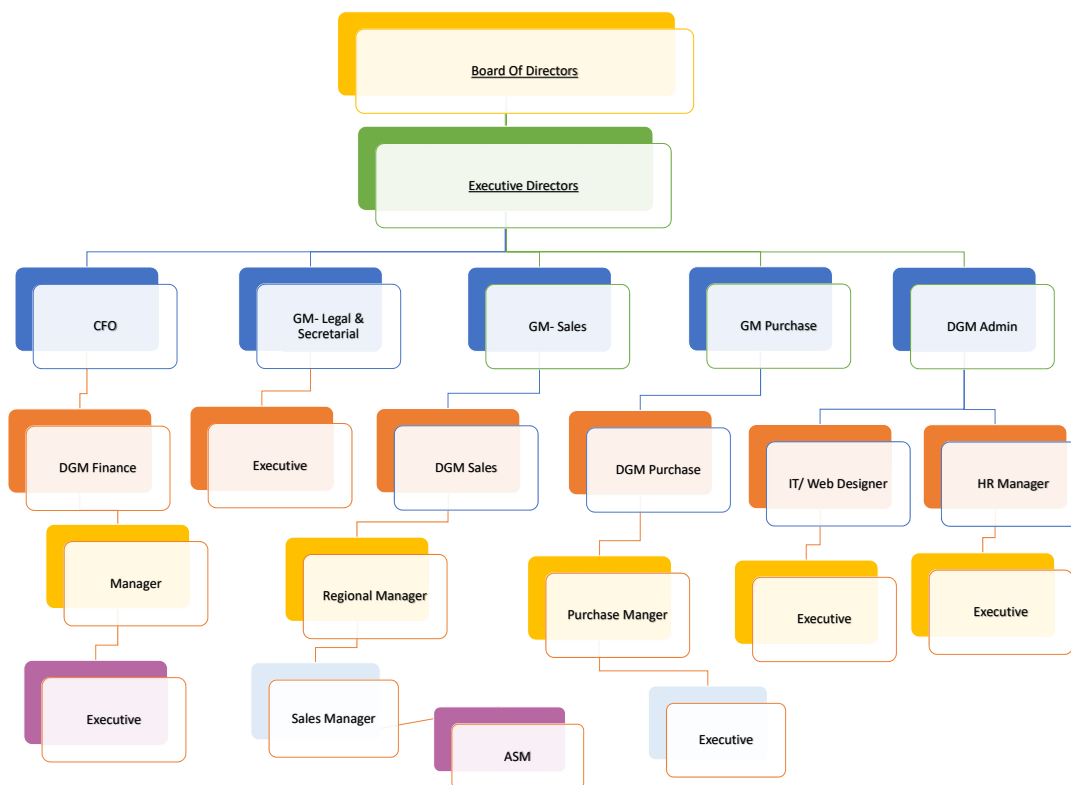
Details of current and past directorship(s) of the above Directors in listed companies whose shares have been / were suspended from being traded on any of the stock exchange, during his/her tenure

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Letter of Offer, during the term of his/her directorship in such company.

Details of current and past directorship(s) of the above Directors in listed companies which have been/ were delisted from the stock exchange(s), during his/her tenure

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

MANAGEMENT ORGANIZATION STRUCTURE



CORPORATE GOVERNANCE

Although the provisions of corporate governance are not applicable to the Company, since its paid up capital and networth do not exceed the limits stipulated under the SEBI LODR Regulations, the Company, as a good governance practice, has ensured compliance with the corporate governance norms as provided under the Companies Act and the SEBI LODR Regulations and the Companies Act.

We are in compliance with the requirements of the applicable provisions of SEBI LODR Regulations and the Companies Act, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI LODR Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of the Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI LODR Regulations:

- a) Audit Committee;

- b) Nomination and Remuneration Committee; and
- c) Stakeholders' Relationship Committee

A) AUDIT COMMITTEE

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on October 23, 2021.

Composition of the Audit Committee

The committee presently comprises the following four directors:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship
1.	Mr. Chirag Gupta	Chairman	Independent Director
2.	Mr. Rajesh Tuteja	Member	Independent Director
3.	Mr. Surendra Kumar Bhagat	Member	Independent Director
4.	Mr. Anuj Sawhney	Member	Executive Director

Mr. Vikas Jain, the Company Secretary of our Company acts as the Secretary of the Audit Committee.

Terms of Reference of Audit Committee:

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Approval or any subsequent modification of transactions of the company with related parties.
- h) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- i) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- j) To review the functioning of the Whistle Blower mechanism.
- k) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- l) Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 on quarterly basis.

B) NOMINATION AND REMUNERATION COMMITTEE

Our Nomination and Remuneration Committee was last reconstituted on October 23, 2021.

Composition of Nomination and Remuneration Committee

The committee presently comprises the following three directors:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship
1.	Mr. Surendra Kumar Bhagat	Chairman	Independent Director
2.	Mrs. Ashita Sawhney	Member	Non-Executive Director
3.	Mr. Chirag Gupta	Member	Independent Director

Mr. Vikas Jain, the Company Secretary of our Company acts as the Secretary of the Nomination and Remuneration Committee.

Terms of Reference of Nomination and Remuneration Committee

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- b) Formulation of criteria for effective evaluation of performance of the Board, Independent Directors and other individual directors and review its implementation and compliance thereof.
- c) Devising a policy on diversity of board of directors.
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- f) Recommend to the Board, all remuneration, in whatever form, payable to Directors, KMP, Senior Management, i.e. salary, benefits, bonus, stock options etc. and determining policy on service contracts, notice period, severance fees for Directors, KMP and Senior Management.
- g) Reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria. As required under SEBI (Share based Employee Benefits) Regulation, 2014, the Board has also designated the existing Nomination and Remuneration Committee for ensuring the compliance and to perform all functions and responsibilities stated under the said Regulations.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Stakeholders Relationship Committee was last reconstituted on October 23, 2021 .

Composition of Stakeholders Relationship Committee

The committee presently comprises the following three directors:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship
1.	Mr. Surendra Kumar Bhagat	Chairman	Independent Director
2.	Mr. Anuj Sawhney	Member	Executive Director
3.	Mr. Chirag Gupta	Member	Independent Director

Mr. Vikas Jain, the Company Secretary of our Company acts as the Secretary of the Stakeholders Relationship Committee.

Terms of Reference of Stakeholders Relationship Committee

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- e) Any allied matter out of and incidental to these functions.

KEY MANAGEMENT PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of production/finance/ distribution/marketing and corporate laws.

The following key personnel assist the management of our Company:

S. No.	Name, Designation, Qualification	Date of Joining	Age (Yrs)	Term of office with date of expiration of term	Details of service contracts including termination/retirement benefits	Experience (yrs)	Previous Employment
1.	Name: Anuj Sawhney Designation: Manager Qualification: Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee	September 23, 2021	48 Years	As per Company rules	N/A	22 Years	NA
2.	Name: Vijay Kalra Designation: CFO Qualification: Fellow Member of the Institute of Company Secretaries of India and a Graduate in Commerce.	January 27, 2021	53 years	As per Company rules	N/A	29 years	Practising Chartered Accountant
3.	Name: Vikas Jain Designation: Company Secretary Qualification: Fellow Member of the Institute of Company Secretaries of India and Graduate in Commerce	July 13, 2008	37 years	As per Company rules	N/A	15 years	Worked as Secretarial Executive with a practicing Company Secretary

Mr. Vikas Jain was designated as the Company Secretary of the Company on July 19, 2014

Brief Profile of Key Managerial Personnel

Mr. Anuj Sawhney, Director and Manager

Mr. Anuj Sawhney, aged about 48 years, is a Promoter Director of the Company. He is Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee. He has experience of around 22 years in operational management, lifestyle branding and related business.

Mr. Vijay Kalra, CFO

Mr. Vijay Kalra, aged about 53 years, is a fellow member of the Institute of Chartered Accountants of India and a Graduate in Commerce and, he possesses more than 29 years of experience in Accounts, Finance and Taxation Field. He was acting as an Independent Director of the from January 10, 2007 till January 27, 2021 till. He joined the Company as Chief Financial Officer of the Company on January 27, 2021. Prior to his employment with the Company, he was engaged in his own practice as a Chartered Accountant.

Mr. Vikas Jain, Company Secretary and Compliance Officer

Mr. Vikas Jain, aged about 37 years, is a fellow member of the Institute of Company Secretaries of India and a Graduate in Commerce, he possesses more than 15 years of experience in corporate secretarial and legal matters. He joined the Company as Assistant Company Secretary on July 13, 2008. He was designated as the Company Secretary and Compliance Officer of the Company on July 19, 2014. Prior to his employment with the Company, he was working as Secretarial Executive with a Practising Company Secretary.

All the Key Managerial Personnel as stated above are Permanent employees of the Company.

Nature of any family relationship between any of the Key Managerial Personnel:

None of the Key Managerial Personnel are related to each other.

OUR PROMOTERS

Our Promoter

The following Individuals and entities are our Promoters:

1. Mr. Anuj Sawhney,
2. Mrs. Ashita Sawhney,
3. M/s Anushi Retail LLP; and
4. M/s Swiss Military Lifestyle Products Private Limited

OUR INDIVIDUAL PROMOTERS:

1. MR. ANUJ SAWHNEY

Date of Birth	March 09, 1974
Age	48 Years
Educational qualifications	Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee
Experience	Around 22 years in operational management, lifestyle branding and related business.
Directorship held	Please refer to the Chapter "Our Management" beginning on page 73 of this Letter of Offer

Profile: Mr. Anuj Sawhney, aged about 48 years, is a Promoter Director of the Company. He is Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee. He has experience of around 22 years in operational management, lifestyle branding and related business.

He has been instrumental and key force in driving the Company. He is responsible for overall management of the Company.

2. MRS. ASHITA SAWHNEY

Date of Birth	July 10, 1973
Age	49 Years
Educational qualifications	B.A (Honours) from Jesus & Mary College, Delhi.
Experience	around 13 years in business development, lifestyle branding and related business.
Directorship held	Please refer to the Chapter "Our Management" beginning on page 73 of this Letter of Offer

Profile: Mrs. Ashita Sawhney, aged about 49 years, is a Promoter Director of the Company. She is Graduate in B.A (Honours) from Jesus & Mary College, Delhi. She has experience of around 13 years in business development, lifestyle branding and related business.

OUR CORPORATE PROMOTERS:

1. ANUSHI RETAIL LLP

Anushi Retail LLP (“Anushi”/“LLP”) is a Limited Liability Partnership incorporated on November 21, 2019, under the Limited Liability Partnership Act, 2008. The Limited Liability Partnership Identification Number (LLPIN) of the LLP is AAR-1165. The registered office of the LLP is situated at 10/24, S/F Kalkaji Extension, Near Police Station, New Delhi 110019, and its email id is anushiretailllp@gmail.com.

The LLP is an SPV of M/s Swiss Military Lifestyle Products Private Limited, a company dealing in consumer products like travel accessories, travel gear, apparels, electronics, footwear, sun glasses, pens, bicycles, etc. The LLP is also engaged in organized retail business which is similar to the line of business of its parent.

The LLP is a limited liability partnership and is not listed on any Stock Exchange.

The total capital contribution of the Promoter as on March 31, 2022 is Rs. 15,71,15,000 (Rupees Fifteen Crores Seventy One Lakhs Fifteen Thousand Only) consisting of fixed capital contribution of Rs. 1,00,000/- (Rupees One Lakh Only) and current capital contribution of Rs. 15,70,15,000 (Rupees Fifteen Crores Seventy Lakhs Fifteen Thousand Only)

The names of the Promoters/persons in control of the LLP and their respective contribution in the LLP as on March 31, 2022 is provided below:

Partners	Contribution in Rs.		Contribution %	
	Fixed	Current	Fixed	Current
Mr. Anuj Sawhney	10,000	40,05,000	10%	2.55%
M/s Swiss Military Lifestyle Products Private Limited	90,000	15,30,10,000	90%	97.45%
Total	1,00,000	15,70,15,000	100%	100%

The details of the designated partners of the LLP, as on the date of this Letter of Offer, are as under:

Name	Designation	DPIN
Mr. Anuj Sawhney	Designated Partner	00471724
Mrs. Ashita Sawhney	Nominee of Swiss Military Lifestyle Products Pvt Ltd	08612232

Brief Financials of M/s Anushi Retail LLP are as under:

Amount in Rs. Lakh except where specifically stated

Particulars	2020-21	2019-20*
Partners' Capital	295.15	175.15
Reserves (excluding revaluation reserve)	(0.21)	(0.04)
Revenue	0.24	0.70
Profit After Tax	(0.16)	(0.04)
Basic Earnings Per Share	-	-
Diluted Earnings Per Share	-	-
Net Asset Value	-	-

***The LLP was incorporated on November 21, 2019, accordingly financial data has been provided from the date of incorporation till March 31, 2020.*

2. SWISS MILITARY LIFESTYLE PRODUCTS PRIVATE LIMITED

Swiss Military Lifestyle Products Private Limited ("SMLPPL") is a Private Limited Company incorporated on January 18, 2011, under the Companies Act, 1956. The corporate identification number of SMLPPL is U19202DL2011PTC329546. The registered office of SMLPPL is situated at W-39, Okhla Industrial Area, Phase-II, New Delhi - 110020, India, and its email id is legal@swissmilitaryindia.com. The Corporate Office of SMLPPL is located at JMD Megapolis, 6th Floor, 621-624, Sector - 48, Sohna Road, Near Vipul Greens, Gurgaon - 122001, Haryana.

SMLPPL is engaged in the business of dealing in consumer products like travel accessories, travel gear, apparels, electronics, footwear, sun glasses, pens, bicycles, etc.

SMLPPL is a private limited company and is not listed on any Stock Exchange.

As on the date of this Letter of Offer, Authorized Share Capital of SMLPPL is Rs. 3,90,00,000/- (Rupees Three Crore Ninety Lakh Only), comprising of 38,50,000 (Thirty Eight Lakh Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each and 50,000 (Fifty Thousand) Preference Shares of Rs. 10/- (Rupees Ten). The issued, subscribed and paid-up equity share capital, is Rs. 3,83,07,990/- (Rupees Three Crore Eighty Three Lakh Seven Thousand Nine Hundred Ninety Only), comprising of 38,30,799 (Thirty Eight Lakh Thirty Thousand Seven Hundred Ninety Nine) Equity Shares of Rs. 10/- (Rupee Ten) each, fully paid up.

The names of the Promoters/persons in control of SMLPPL and their respective contribution in the LLP as on March 31, 2022 is provided below:

The names of the Promoters of SMLPPL and their respective shareholding in SMLPPL, as on the date of this Letter of Offer is provided as under:

Name of Shareholders	Number of Equity Shares held	% of Total Equity Capital
Mr. Anuj Sawhney	13,20,000	34.46%
M/s. Promoshirt SM Private Limited*	25,10,799	65.54%
Total	38,30,799	100.00%

**M/s Promoshirt SM Private Limited is ultimately controlled by our Promoters Mr. Anuj Sawhney and Mrs. Ashita Sawhney.*

The details of the directors of the SMLPPL, as on the date of this Letter of Offer, are as under:

Name	Designation	DIN
Mr. Anuj Sawhney	Director	00471724
Mrs. Ashita Sawhney	Director	08612232

Brief Financials of M/s Swiss Military Lifestyle Products Private Limited are as under:

Amount in Rs. Lakh except where specifically stated

Particulars	2020-21	2019-20	2018-19
Equity Capital	383.08	383.08	383.08
Reserves (excluding revaluation reserve)	877.01	974.10	870.18
Revenue	2880.04	4,742.11	3,920.31
Profit After Tax	(98.38)	103.92	99.34
Basic Earnings Per Share (amount in Rs.)	(2.57)	2.71	2.59
Diluted Earnings Per Share (amount in Rs.)	(2.57)	2.71	2.59
Net Asset Value	1260.09	1,357.18	1,253.26

Confirmations

- None of our Promoters or members of our Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
- Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the Shareholders. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend since incorporation.

Dividends are payable within thirty days of approval by the Equity Shareholders at the annual general meeting of our Company and in case of interim dividend within thirty days of declaration by the Board of Directors. When dividend is declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V - FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Swiss Military Consumer Goods Limited
W-39, Okhla Industrial Area Phase -II
New Delhi, South Delhi - 110020
India

Dear Sirs,

1. We have examined, the attached Restated Financial Information of Swiss Military Consumer Goods Limited (the "Company" or the "Issuer") which, comprises the Restated Statement of Assets and Liabilities as at 31st March, 2022, 31st March, 2021, and 31st March 2020 the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flow for the for the year ended 31st March, 2022, 31st March, 2021 & 31st March, 2020, the Summary Statement of Significant Accounting Policies and other explanatory information(collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 07th May, 2022 for the purpose of inclusion in the Draft letter of Offer prepared by the Company in connection with its proposed Right Issue of equity shares prepared in terms of the requirements of:
 - a) Section 62 of the Companies Act, 2013, as amended (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in Draft Letter of Offer to be filed with the Securities and Exchange Board of India, BSE Limited in connection with the proposed Right Issue. The Restated Financial Information has been prepared by the management of the Company on the basis of Restated Financial Information. The responsibility of the respective Boards of Directors of the companies includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information.
3. We have examined such Restated Financial Information taking into consideration:
 - a)The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 02nd May, 2022 in connection with the proposed Right Issue;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

- d) The requirements of Section 62 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Right Issue.
4. These Restated Financial Information have been compiled by the management from audited financial statements for the years ended March 31, 2022, 2021 and 2020 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 18th April, 2022, 12th May 2021, and 19th May 2020 and respectively.
 5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1.
 6. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.
 7. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
 8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 9. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Letter of Offer to be filed with the Securities and Exchange Board of India, BSE Limited in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For B K Sood & Co.
Chartered Accountants
FRN. 000948N

CA Nitin Jain
Partner
M. No. 089895
UDIN : 22089895AIQGAT7854

Place: Delhi
Date: 07th May, 2022

SWISS MILITARY CONSUMER GOODS LIMITED

Annexure-I

Restated Statement of Assets and Liabilities

(Amount in Rs.)					
	Particulars	Note No.	As at 31st March		
			2022	2021	2020
	ASSETS				
✓(1)	Non-Current Assets				
	(a) Property, Plant and Equipment	I.1	51,64,493	2,21,812	1,03,194
	(b) Financial Assets				
	i) Investments	I.2	4,18,99,280	1,51,04,734	1,51,04,734
	(c) Deferred tax assets (net)		15,565	-	-
	(d) Income Tax assets (net)		-	-	-
	Total Non-Current Assets		4,70,79,338	1,53,26,546	1,52,07,928
✓(2)	Current Assets				
	(a) Inventories	I.3	4,76,27,816	50,73,201	10,81,319
	(b) Financial Assets				
	i) Trade Receivables	I.4	7,23,91,851	95,44,917	8,10,100
	ii) Cash and Cash Equivalents	I.5	5,25,19,516	71,31,919	1,62,65,374
	iii) Other financial assets	I.6	22,40,663	10,79,060	11,53,060
	(c) Other Current Assets	I.7	4,52,37,011	31,35,786	1,02,56,305
	Total Current Assets		22,00,16,857	2,59,64,883	2,95,66,158
	TOTAL ASSETS		26,70,96,195	4,12,91,429	4,47,74,086
	EQUITY AND LIABILITIES				
	Equity				
	a) Equity Share Capital	I.8	19,65,93,992	9,82,96,996	9,82,96,996
	b) Other Equity	I.9	(3,00,91,785)	(5,75,62,733)	(5,78,18,922)
	Total Equity		16,65,02,207	4,07,34,263	4,04,78,074
	LIABILITIES				
✓(1)	Non - Current Liabilities				
	(a) Financial Liabilities		-	-	-
	(b) Provisions		-	-	-
	(c) Deferred tax liabilities (net)		-	-	-
	(d) Other non- Current liabilities		-	-	-
	Total non- current liabilities		-	-	-
✓(2)	Current Liabilities				
	(a) Financial Liabilities				
	i) Borrowings	I.10	6,75,00,000	-	-
	ii) Trade payables	I.11			
	(A) Total outstanding dues of micro enterprises and small enterprises; and		23,04,265	-	-
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,31,96,897	1,53,000	41,36,000
	iii) Other Financial Liabilities	I.12	45,01,855	3,60,759	-
	(b) Other Current Liabilities	I.13	30,90,971	43,407	1,60,012
	(d) Income tax liabilities (net)		-	-	-
	Total Current Liabilities		10,05,93,988	5,57,166	42,96,012
	TOTAL EQUITY AND LIABILITIES		26,70,96,195	4,12,91,429	4,47,74,086
<p>Note: The above statements should be read with the Summary Statement of significant accounting policies, Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement of Changes in Equity appearing in Annexure V,II,III, IV respectively and other accompanying notes.</p>					

SWISS MILITARY CONSUMER GOODS LIMITED					
Annexure- II					
Restated Statement of Profit and Loss					
					(Amount in Rs.)
	Particulars	Note No.	For the year ended 31st March		
			2022	2021	2020
I	Revenue from Operations	II.1	55,49,67,780	5,19,41,600	3,53,07,341
II	Other Income	II.2	20,26,739	4,50,570	53,28,209
III	Total Income (I+II)		55,69,94,519	5,23,92,170	4,06,35,550
IV	Expenses				
	Purchases of Stock in Trade	II.3	54,96,37,108	5,14,05,090	3,71,43,024
	Change in Inventories of Stock in Trade		(4,25,54,615)	(39,91,882)	4,63,585
	Employee benefits expenses	II.4	68,34,561	17,34,675	14,79,145
	Depreciation and amortization expenses	I.1	3,81,559	55,560	84,152
	Other Expenses	II.5	1,71,13,573	29,32,538	34,20,711
	Total Expenses (IV)		53,14,12,186	5,21,35,981	4,25,90,617
V	Profit / (Loss) before exceptional items and tax(III-IV)		2,55,82,333	2,56,189	(19,55,067)
VI	Exceptional items		18,73,050	-	-
VII	Profit / (Loss) before tax		2,74,55,383	2,56,189	(19,55,067)
VIII	Tax Expenses:				
	(1) Current Tax		-	-	-
	(2) Deferred Tax		(15,565)	-	-
IX	Profit / (Loss) after tax for the period		2,74,70,948	2,56,189	(19,55,067)
X	Other Comprehensive Income				
	Items that will not be reclassified to Profit & Loss				
	Fair Value Change of Equity Instruments		-	-	(1,54,59,600)
	Share in aggregate comprehensive income of the associates(net tax)		-	-	-
XI	Total Other Comprehensive Income		-	-	(1,54,59,600)
XII	Total Comprehensive Income for the period (IX+XI)		2,74,70,948	2,56,189	(1,74,14,667)
	Earning Per Equity Share				
	a) Basic (Rs.)		0.28	0.01	(0.35)
	b) Diluted (Rs.)		0.28	0.01	(0.35)
Note: The above statements should be read with the Summary Statement of significant accounting policies, Restated Statement of Assets and Liabilities, Restated Statement of Cash Flows, Restated Statement of Changes in Equity appearing in Annexure V,I,III, IV respectively and other accompanying notes.					

SWISS MILITARY CONSUMER GOODS LIMITED

Annexure- III

Restated Statement of Cash Flows

Particulars	For the year ended 31st March		
	2022	2021	2020
Restated Profit / (Loss) before tax	2,74,55,383	2,56,189	(19,55,067)
Adjustments for:			
Depreciation	3,81,559	55,560	84,152
Interest Income on Fixed Deposit	(2,07,350)	(2,43,996)	(10,509)
Exchange fluctuation (net)	(77,566)		
Property, Plant & Equipment write off	-	3,025	-
Property, Plant & Equipment write back	-	(1,26,950)	-
Profit on sale of Property, Plant & Equipment	(18,73,050)		
Operating (Loss) / Profit before working capital changes	2,56,78,976	(56,172)	(18,81,424)
Change in Working Capital			
Adjustments for (Increase) / Decrease in Operating Assets			
Inventories	(4,25,54,615)	(39,91,882)	4,63,585
Trade Receivables	(6,28,46,933)	(87,34,817)	1,06,24,241
Other financial assets	(11,61,603)	74,000	(10,79,060)
Other current assets	(4,21,01,226)	71,20,519	(1,01,90,305)
Adjustments for Increase / (Decrease) in Operating Liabilities			
Trade payables	2,53,48,162	(39,83,000)	41,36,000
Other Financial Liabilities	41,41,096	3,60,759	-
Other Current Liabilities	30,47,564	(1,16,605)	(1,17,873)
Net Cash Generated / (used in) from Operating Activities (A)	(9,04,48,579)	(93,27,198)	19,55,163
Cash flow from Investing Activities			
Interest Income on Fixed Deposit	2,07,350	2,43,996	10,509
Exchange fluctuation (net)	77,566		
Payment for Purchase PPE	(54,51,190)	(50,253)	-
From non-current Investment	(2,67,94,546)	-	1,37,17,666
From sale of PPE	20,00,000		
Net Cash from / (used in) Investing Activities (B)	(2,99,60,820)	1,93,743	1,37,28,175
Cash flow from Financing Activities	-	-	-
Proceeds from Rights issue	9,82,96,996		
Proceeds from Borrowings	6,75,00,000		
Net cash from / (used in) Financing Activities (C)	16,57,96,996	-	-
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	4,53,87,597	(91,33,455)	1,56,83,338
Cash & Cash equivalents at beginning of the year	71,31,919	1,62,65,374	5,82,036
Cash & Cash equivalents at end of the year	5,25,19,516	71,31,919	1,62,65,374

Note: 1. The above statements should be read with the Summary Statement of significant accounting policies, Restated Statement of Profit and Loss, Restated Statement of Assets and Liabilities, Restated Statement of Changes in Equity appearing in Annexure V,II,I, IV respectively and other accompanying notes.

2. The above restated Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard-7' Statement of Cash Flows'.

3. Previous years figures have been regrouped/ rearranged/ recasted wherever necessary to make them comparable with those of current year.

SWISS MILITARY CONSUMER GOODS LIMITED

Annexure - IV

Restated Statement of Change in Equity

(a) Equity Share Capital

(Amount in Rs.)

Particulars	As at 31st March			
	2022	2021	2020	2019
Shares as at beginning of the period/year	9,82,96,996	9,82,96,996	9,82,96,996	9,82,96,996
Add: Shares issued during the year	9,82,96,996	-	-	-
Shares at the end of the year	19,65,93,992	9,82,96,996	9,82,96,996	9,82,96,996

(b) Other Equity

(Amount in Rs.)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Other Comprehensive Income		
			Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)	Total Other Equity
Balance as at 1st April 2019	-	-	4,00,000	7,64,12,986	1,99,10,683	(9,99,18,749)	(3,67,39,980)	(4,69,196)	(4,04,04,255)
Fair Value Changes in Equity Instruments	-	-	-	-	-	-	(1,54,59,600)	-	(1,54,59,600)
Profit / (Loss) for the year	-	-	-	-	-	(19,55,067)	-	-	(19,55,067)
Balance as at 31st March 2020	-	-	4,00,000	7,64,12,986	1,99,10,683	(10,18,73,816)	(5,21,99,580)	(4,69,196)	(5,78,18,922)
Profit / (Loss) for the year	-	-	-	-	-	2,56,189	-	-	2,56,189
Amount Transfer	-	-	-	-	-	(53,75,176)	49,05,980	4,69,196	-
Balance as at 31st March 2021	-	-	4,00,000	7,64,12,986	1,99,10,683	(10,69,92,803)	(4,72,93,600)	-	(5,75,62,733)
Profit / (Loss) for the period	-	-	-	-	-	2,74,70,948	-	-	2,74,70,948
Amount Transfer	-	-	-	-	-	(4,72,93,600)	4,72,93,600	-	-
Balance as at 31st March 2022	-	-	4,00,000	7,64,12,986	1,99,10,683	(7,95,21,855)	-	-	(3,00,91,785)

Note: The above statements should be read with the Summary Statement of significant accounting policies, Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement of Assets and Liabilities appearing in Annexure V,II,III, I respectively and other accompanying notes.

Annexure-V

SIGNIFICANT ACCOUNTING POLICIES

1. Company Overview

Swiss Military Consumer Goods Limited (referred as "the Company") is a Public Limited Company incorporated in India with its registered office at W-39, Okhla Industrial Area, New Delhi - 110020. The Company has its Listings on the BSE Ltd.

2. Preparation and Presentation of Financial Statements

2.1 Basis of preparation and measurement

The financial statements of the company have been prepared in accordance with the Indian Accounting Standard (Ind AS), the provisions of the companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements of the company have been prepared as per notification of Ministry of Corporate Affairs (MCA) dated March 24, 2021, amended Schedule III of the companies Act 2013 with effect from April 1, 2021.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product / activities of the Company and the normal time between acquisition of assets/liabilities and their realisation / settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

b) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in para (d) below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c) Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the company. Based on current estimates the Company expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

i) Expected credit loss:

The Company has considered the current and anticipated future conditions relating to industries the Company deals with. In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of defaults in future and has taken into account estimates of possible effect from the pandemic, COVID-19 using the forward looking approach prescribed by Ind AS 109.

ii) Impact on unhedged foreign currency exposure:

Based on its assessment, the Company believes that the probabilities of occurrence of its forecasted transactions are not likely to be impacted by COVID-19. Hence, the Company continues to believe that there is no foreseeable impact on the effectiveness of its cash flow hedges due to this global pandemic.

d) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

i) Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjust to reflect the current best estimates.

ii) Allowance for credit losses on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

3. Significant Accounting Policies

a) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method based on estimated useful life of assets as prescribed in schedule II to the Companies Act, 2013.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under "Capital work-in-progress". Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when

incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposal of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

b) Intangible Assets: -

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence demand, competition, and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from assets.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognized or on disposal.

c) Impairment of tangible assets intangible assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

d) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight- line method over the estimated useful lives.

e) Inventories: -

i) Basis of valuation:

Inventories are valued at the lower of cost or net realizable value. Cost of inventories has been measured on FIFO basis & comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The comparison of cost and net realizable value is made on item-by-item basis.

ii) Method of valuation:

Cost of traded goods has been determined by using first-in-first-out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Due allowances are made in respect of slow-moving, non-moving and obsolete inventory based on estimates made by the management.

f) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the Company's functional and presentation currency.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions. Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Statement of Profit and Loss and reported within exchange gains / (losses) on translation of assets and liabilities, net, except when deferred in "other comprehensive income" as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings.

g) Revenue Recognition

i) Revenue from customers

Revenue from customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

ii) Other income

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/ loss on capital market in future & Options. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

h) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which these incurred except loan processing fees which is recognized as per effective rate of interest method.

i) Financial Instruments

Initial recognition and measurement:

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

Financial assets

The Company classifies its financial assets in the following categories:

i) Financial assets at amortised cost -

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortization is included in finance income in the statement of profit and loss.

These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently, if maturing after 12 months' period, carried at amortised cost using the effective interest method, less any impairment loss.

Following financial assets are measured at amortised cost: -

- (i) Security deposit
- (ii) Cash and cash equivalent
- (iii) Advances adjustable with other financial instrument

ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) -

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

iii) Financial assets at Fair Value through Profit and loss (FVTPL) -

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

iv) Impairment of financial assets -

The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

i) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits, advances refundable and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

ii) Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

Investment in Equity Instrument of Joint Venture/partnership.

Investment in equity instruments of joint ventures are measured at cost as per Ind AS 27- Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value other than investment in subsidiary, Associates and Joint Ventures.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

De-recognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

Fair value measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities -

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

j) Income Tax

i) Current Income Tax

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

ii) Deferred Tax:

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in Other Comprehensive Income or equity respectively.

iii) Dividend Distribution Tax:

Tax on Dividends declared by the Company is recognised as an appropriation of Profit.

k) Employee Benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Post retirement employee benefits:

The Company operates the following post-employment schemes

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund

The above post retirement employee benefits are not applicable to the company.

iii) Other employee benefits:

The liabilities for earned leaves and compensated absences are settled at the year end.

l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount

cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where inflows of economic benefits are possible.

m) Cash and cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

n) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

o) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors

p) Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q) Segment Reporting

The Company is primarily engaged in trading of various lifestyle products such as travel gear, baggage, leather accessories, sunglasses, electronics, and protective masks and other related products under the brand Swiss military and also securities. Since this segment meets the aggregation criteria as per the requirements of Ind AS 108 on 'Operating segments', the management considers this as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by Ind AS- 108, "Operating segment".

Company's income and expenses including interest are considered as part of un-allocable income and expenses which are not identifiable to any business segment. Company's asset and liabilities are considered as part of un-allocable assets and liabilities which are not identifiable to any separate business segment.

r) Financial Risk Management

Risk management framework

The Company's Board of Director has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Risk Management Policy.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit function, which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables: -

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

C. Market Risk

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through a mix of equity, borrowings and operating cash flows.

Interest rate risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and variable rate borrowings.

Annexure - I.1					
Restated Statement of Property, Plant and Equipment					
(Amount in Rs.)					
	Land	Plant & Machinery	Office Equipment	Furniture & Fixtures	Total
Gross Carrying Value					
As at 1st April 2019	-	2,55,550.00	77,490.00	3,00,000.00	6,33,040.00
Addition During the year	-	-	-	-	-
Deduction During the year	-	-	-	-	-
As at 31st March 2020	-	2,55,550	77,490	3,00,000	6,33,040
As at 1st April 2020	-	2,55,550	77,490	3,00,000	6,33,040
Addition During the year	1,26,950	41,780	8,474	-	50,253
Adjustments / (Deletions) During the year	-	-	(60,500)	-	(60,500)
As at 31st March 2021	1,26,950	2,97,330	25,464	3,00,000	7,49,743
As at 1st April 2021	1,26,950	2,97,330	25,464	3,00,000	7,49,743
Addition During the period	-	41,56,288	66,694	12,28,208	54,51,190
Adjustments / (Deletions) During the year	(1,26,950)	-	-	-	(1,26,950)
As at 31st March 2022	-	44,53,618	92,158	15,28,208	60,73,983
Depreciation / Amortization					
As at 1st April 2019	-	1,02,025	58,669	2,85,000	4,45,694
Provided for the year	-	80,924	3,228	-	84,152
Deduction During the year	-	-	-	-	-
As at 31st March 2020	-	1,82,949	61,897	2,85,000	5,29,846
As at 1st April 2020	-	1,82,949	61,897	2,85,000	5,29,846
Provided for the year	-	52,059	3,501	-	55,560
Adjustments / (Deletions) During the year	-	-	(57,475)	-	(57,475)
As at 31st March 2021	-	2,35,008	7,923	2,85,000	5,27,931
As at 1st April 2021	-	2,35,008	7,923	2,85,000	5,27,931
Provided for the period	-	3,49,322	9,794	22,443	3,81,559
Adjustments / (Deletions) During the year	-	-	-	-	-
As at 31st March 2022	-	5,84,330	17,717	3,07,443	9,09,490
NET CARRYING VALUE					
As at 31st March 2020	-	72,601	15,593	15,000	1,03,194
As at 31st March 2021	1,26,950	62,322	17,541	15,000	2,21,812
As at 31st March, 2022	-	38,69,288	74,441	12,20,765	51,64,493

Annexure -I.2						
Restated Statement of Non-current Investments						
Particulars	As at 31st March					
	2022		2021		2020	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Measured at Cost						
A. Equity Instruments						
Unquoted : Fully Paid-Up						
AAA Shenyang Containers Seal Pvt. Ltd.	2076112	41899280				
International Amusement Limited	-	-	1920000	1,03,06,400	1920000	2,57,66,000
Appu Ghar Securities & Solutions Private Limited	-	-	-	-	-	-
Appu Ghar Entertainment Private Limited	-	-	162450	46,98,334	1,62,450	46,98,334
Impairment in Fair Value of Investments	-	-	-	-	-	(1,54,59,600)
Total (A)		4,18,99,280		1,50,04,734		1,50,04,734
B. Investment in Partnership Firm				1,00,000		1,00,000
Total (B)				1,00,000		1,00,000
Total (A+B)		4,18,99,280		1,51,04,734		1,51,04,734

Annexure - I.3			
Restated Statement of Inventories			
Particulars	As at 31st March		
	2022	2021	2020
	Stock in Trade	4,76,27,816	50,73,201
Total	4,76,27,816	50,73,201	10,81,319

Annexure - L4													
Restated Statement of Trade Receivables													
(Amount in Rs.)													
Particulars	As at 31st March												
	2022	2021	2020										
Undisputed Trade receivables - Considered good	7,23,91,851	95,44,917	8,10,100										
Total	7,23,91,851	95,44,917	8,10,100										
Trade Receivables ageing schedule												(Amount in Rs.)	
Particulars	Outstanding for following periods from due date of payment												
	Less than 6 months		6 months to 1 year		1-2 years		2-3 years		More than 3 years		Total		
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	
Undisputed Trade receivables - Considered good	7,21,22,133	95,44,917	2,69,717	-	-	-	-	-	-	-	-	7,23,91,850	95,44,917
Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total							
	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020							
Undisputed Trade receivables - Considered good	8,10,100	-	-	-	-	8,10,100							

Annexure - I.5			
Restated Statement of Cash & Cash Equivalents			
(Amount in Rs.)			
Particulars	As at 31st March		
	2022	2021	2020
Balances with Banks :			
In Current Accounts	5,01,63,458	70,54,249	1,61,77,867
In deposit accounts with original maturity of three month or less	23,53,124		
Cash on hand	2,934	77,670	87,507
Total	5,25,19,516	71,31,919	1,62,65,374

Annexure -I.6			
Restated Statement of Other Financial Assets			
(Amount in Rs.)			
Particulars	As at 31st March		
	2022	2021	2020
Security Deposit	22,24,030	10,79,060	11,53,060
Interest accrued on deposits	16,633	-	-
Total	22,40,663	10,79,060	11,53,060

Annexure - I.7			
Restated Statement of Other Current Assets			
(Amount in Rs.)			
Particulars	As at 31st March		
	2022	2021	2020
Advances for Supply of Goods / Services	3,64,17,629	26,85,514	1,01,80,000
Advances to Employees	18,000	30,925	54,925
Prepaid Expenses	58,77,149	1,31,478	-
Balance with Government Authorities	29,24,233	2,87,868	21,380
Total	4,52,37,011	31,35,786	1,02,56,305

Annexure - I.8						
Restated Statement of Equity Capital						
(Amount in Rs.)						
	As at 31st March					
	2022		2021		2020	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
AUTHORISED CAPITAL						
Equity Shares of Rs.2/- each	26,25,00,000	52,50,00,000	26,25,00,000	52,50,00,000	26,25,00,000	52,50,00,000
Preference share of Rs.100/- each	6,00,000	6,00,00,000	6,00,000	6,00,00,000	6,00,000	6,00,00,000
		58,50,00,000		58,50,00,000		58,50,00,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL						
Equity Shares of Rs.2/- each	9,82,96,996	19,65,93,992	4,91,48,498	9,82,96,996	4,91,48,498	9,82,96,996
		19,65,93,992		9,82,96,996		9,82,96,996
RIGHTS, PREFERENCE AND RESTRICTIONS						
The company has only one class of shares referred to as equity shares having a par value of Rs.2/- each (Previous Years of Rs.2/- each). Holder of equity shares is entitled to one vote per share.						
ISSUE OF RIGHTS SHARES/Issue of Right Shares						
The Board of Directors at their meeting held on December 21, 2021 allotted 4,91,48,498 equity shares of face value of Rs. 2 each at a price of Rs. 2 per equity share, aggregating to Rs.9,82,96,996, on Rights basis in the ratio of 1 equity share for every 1 existing fully-paid equity share, held by the eligible equity shareholders as on the record date i.e. November 9, 2021.						
RECONCILIATION OF NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE PERIOD IS SET OUT BELOW:						
	As at 31st March					
	2022		2021		2020	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Number of shares at the beginning	49148498	9,82,96,996	49148498	9,82,96,996	49148498	9,82,96,996
Add: Shares issued during the year	49148498	9,82,96,996	-	-	-	-
Number of shares at the end	9,82,96,996	19,65,93,992	4,91,48,498	9,82,96,996	4,91,48,498	9,82,96,996
THE DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARES IS SET OUT BELOW :						
Name of Shareholders	As at 31st March					
	2022		2021		2020	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Anushi Retail LLP	5,73,51,462	58.35	2,73,51,462	55.65	1,19,89,200	24.39
Mr. Pankaj Shrimali	48,46,800	4.93	48,46,800	9.86	49,02,800	9.98
Mrs. Madhuri Shrimali	33,37,200	3.40	33,37,200	6.79	33,37,200	6.79
Uninet Strategic Advisory Ltd	1,23,95,225	12.61	68,49,150	13.94	68,85,837	14.01

Annexure - I9									
Restated Statement of Other Equity									
(Amount in Rs.)									
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Other Comprehensive Income		
			Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)	Total Other Equity
Balance as at 1st April 2019	-	-	4,00,000	7,64,12,986	1,99,10,683	(9,99,18,749)	(3,67,39,980)	(4,69,196)	(4,04,04,255)
Fair Value Changes in Equity Instruments	-	-	-	-	-	-	(1,54,59,600)	-	(1,54,59,600)
Profit / (Loss) for the year	-	-	-	-	-	(19,55,067)	-	-	(19,55,067)
Balance as at 31st March 2020	-	-	4,00,000	7,64,12,986	1,99,10,683	(10,18,73,816)	(5,21,99,580)	(4,69,196)	(5,78,18,922)
Profit / (Loss) for the year	-	-	-	-	-	2,56,189	-	-	2,56,189
Amount Transferred	-	-	-	-	-	(53,75,176)	49,05,980	4,69,196	-
Balance as at 31st March 2021	-	-	4,00,000	7,64,12,986	1,99,10,683	(10,69,92,803)	(4,72,93,600)	-	(5,75,62,733)
Profit / (Loss) for the year	-	-	-	-	-	2,74,70,948	-	-	2,74,70,948
Amount Transferred	-	-	-	-	-	(4,72,93,600)	4,72,93,600	-	-
Balance as at 31st March 2022	-	-	4,00,000	7,64,12,986	1,99,10,683	(12,68,15,455)	-	-	(3,00,91,785)

Annexure - I.10			
Restated Statement of Current Borrowings			
			(Amount in Rs.)
Particulars	As at 31st March		
	2022	2021	2020
Loans repayable on demand			
Unsecured Loan from Body Corporate	6,75,00,000	-	-
Total	6,75,00,000	-	-
Note: Current Borrowings are carried at amortized cost.			

Annexure -I.11										
Restated Statement of Trade Payables										
(Amount in Rs.)										
Particulars	As at 31st March									
	2022	2021	2020							
Total outstanding dues of micro enterprises and small enterprises	23,04,265	-	-							
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,31,96,897	1,53,000	41,36,000							
Total	2,55,01,162	1,53,000	41,36,000							
Trade Payables ageing schedule										
(Amount in Rs.)										
Particulars	Outstanding for following periods from due date of payment									
	Less than 1 year		1-2 years		2-3 years		More than 3 years		Total	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Total outstanding dues of micro enterprises and small enterprises	23,04,265	-	-	-	-	-	-	-	23,04,265	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,31,96,897	1,53,000	-	-	-	-	-	-	2,31,96,897	1,53,000
(Amount in Rs.)										
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total					
	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-					
Total outstanding dues of creditors other than micro enterprises and small enterprises	41,36,000	-	-	-	41,36,000					

Annexure -I.12			
Restated Statement of Other Financial Liabilities			
	(Amount in Rs.)		
Particulars	As at 31st March		
	2022	2021	2020
Employees Benefits Payable	13,11,681	1,40,200	-
Deposit from Dealers	26,00,000	-	-
Others	5,90,174	2,20,559	-
Total	45,01,855	3,60,759	-

Annexure - I.13			
Restated Statements of Other Current Liabilities & Provisions			
			(Amount in Rs.)
Particulars	As at 31st March		
	2021	2021	2020
Other Current Liabilities			
Statutory Dues	24,64,065	2,658	27,313
Expenses Payable	-	-	1,32,699
Advance from Customers	6,26,906	40,749	-
Total	30,90,971	43,407	1,60,012

Annexure -II.1			
Restated Statement of Revenue from Operations			
			(Amount in Rs.)
Particulars	For the year ended 31st March		
	2022	2021	2020
Sale of product	55,49,67,780	5,19,41,600	3,53,07,341
Total	55,49,67,780	5,19,41,600	3,53,07,341

Annexure -II.2			
Restated Statement of Other Income			
			(Amount in Rs.)
Particulars	For the year ended 31st March		
	2022	2021	2020
Interest from Fixed Deposits	2,07,350	2,43,996	10,509
Exchange fluctuation (net)	77,566	-	-
Transportation & Courier Charges Received	13,53,722	-	-
Profit from Sale of Investment	-	-	52,60,000
Miscellaneous income	3,88,101	2,06,574	57,700
Total	20,26,739	4,50,570	53,28,209

Annexure -II.3			
Restated Statement of Purchases of Stock in Trade			
			(Amount in Rs.)
Particulars	For the year ended 31st March		
	2022	2021	2020
Purchases	54,96,37,108	5,14,05,090	3,71,43,024
Total	54,96,37,108	5,14,05,090	3,71,43,024

Annexure -II.4			
Restated Statement of Employee Benefits Expense			
			(Amount in Rs.)
Particulars	For the year ended 31st March		
	2022	2021	2020
Establishment Expenses	67,33,639	16,68,700	14,22,000
Staff Welfare Expenses	1,00,922	65,975	57,145
Total	68,34,561	17,34,675	14,79,145

Annexure -II.5			
Restated Statement of Other Expenses			
			(Amount in Rs.)
Particulars	For the year ended 31st March		
	2022	2021	2020
Advertising and Publicity	1,52,616	56,616	41,360
Travelling & Conveyance	14,79,171	1,83,723	2,13,221
Payment to Auditors	1,45,000	1,00,000	1,00,000
Business Promotion	40,69,870	38,347	-
AGM Expenses	13,800	42,418	1,80,366
Warehouse & Logistic Charges	51,13,570	3,68,600	4,44,000
Printing and Stationery	1,52,966	42,447	33,884
Postage & Courier	5,921	16,000	2,948
Communication Expenses	32,106	37,649	48,870
Commission & Brokerage	5,48,259	1,47,112	-
Insurance Expenses	41,302	1,952	-
Fees & Taxes	1,37,466	5,56,312	38,131
Listing Fees	3,34,604	3,75,029	3,24,544
Professional and legal Charges	12,11,578	6,92,303	15,27,630
Repair and Maintenance	54,201	63,362	79,085
Electricity & Water Charges	1,81,895	69,894	99,269
GST expenses	-	-	2,78,554
Sitting Fee	2,25,000	-	-
Rights issue expenses	25,98,271	-	-
Fixed asset written off		3,025	-
Website Expenses	5,73,077	1,34,750	-
Festival Expenses	42,900	3,000	8,848
Total	1,71,13,573	29,32,538	34,20,711

Annexure -VI			
Restated Statement of Contingent Liabilities			
			(Amount in Rs.)
Particulars	For the year ended 31st March		
	2022	2021	2020
<u>Brief particulars of litigation:</u> The matter is under appeal filed by Company with Hon'ble High Court of Delhi against the order passed by Saket Court, Ms. Jyoti Kler, ADJ-07 in favor of Mr. Satish Somani on account of recovery of maintenance charges paid by Mr. Somani to the mall authorities against the shop let out to the company. <u>Parties Involved:</u> Swiss Military Consumer Goods Limited Vs. Mr. Satish Somani. <u>Court under which pending:</u> Hon'ble High Court of Delhi	10,79,060	10,79,060	10,79,060
Total	10,79,060	10,79,060	10,79,060
Note: The above statements should be read with the Summary Statement of significant accounting policies, Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement of Changes in Equity appearing in Annexure V,I,II,III,IV respectively and other accompanying notes.			

Annexure - VII							
Restated Statement of Related Party Disclosures							
I. Related Party Disclosures for the period ended 31st March, 2022 in accordance with Indian Accounting Standard (Ind AS)-24.							
a) List of related parties & relationships, where control exists.							
Sr. No.	Nature of Relationship	Name of Parties					
1	Holding Company	Nil					
2	Subsidiary Company	Nil					
3	Associates	Nil					
4	Key Management Personnel & their relatives	Mr. Ashok Kumar Sawhney (Non-Executive Director) Mr. Anuj Sawhney (Director & Manager) Mrs. Ashita Sawhney (Director) Mr. Vijay Kalra (Chief Financial Officer) Mr. Vikas Jain (Company Secretary)					
5	Relatives of Key Management Personnel	Nil					
6	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives	Swiss Military Life Style Products Private Limited Promoshirts SM Private Limited Anushi Retail LLP					
b) Transactions with Related Parties							
							(Amount in Rs.)
	Transactions	Holding Company (NA)	Subsidiary Company (NA)	Associates	Key Management Personnel (Directors)	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives
1	Remuneration	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	Loan Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	15,65,00,000 (Nil)
3	Repayment of Loan / Adjusted against allotment of shares in Rights Issue	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	8,90,00,000 (Nil)
4	Sitting fees to Non- executive directors	Nil (Nil)	Nil (Nil)	2,25,000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Interest paid on Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6	Sale of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	4,75,43,623 (1,84,40,000)
7	Advance payment against Investment	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,09,49,640 (Nil)
10	Sale of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	3,53,87,312 (1,84,40,000)
11	Purchase of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	33,29,892 (60,95,302)
14	Outstanding as on 31st March, 2022						
	(a) Amount Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(b) Loan Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	6,75,00,000 (Nil)
	(c) Expenses Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(d) Remuneration Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Notes: 1. Figures in bracket represent previous year amounts. 2. Figures has been Regrouped/Rearranged accordingly							

2. Related Party Disclosures for the period ended 31st March 2021 in accordance with Indian Accounting Standard (Ind AS)-24.							
a) List of related parties & relationships, where control exists.							
Sr. No.	Nature of Relationship	Name of Parties					
1	Holding Company	Nil					
2	Subsidiary Company	Nil					
3	Associates	Nil					
4	Key Management Personnel	Mr. Anuj Sawhney (Director & Manager) Mrs. Ashita Sawhney (Director) Mr. Vijay Kalra (Chief Financial Officer) Mr. Vikas Jain (Company Secretary)					
5	Relatives of Key Management Personnel	Nil					
6	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives	Swiss Military Life Style Products Private Limited Promoshirts SM Private Limited Anushi Retail LLP					
b) Transactions with Related Parties							
							(Amount in Rs.)
	Transactions	Holding Company	Subsidiary Company	Associates	Key Management Personnel (Directors)	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives
1	Remuneration	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Loan Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Repayment of Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Sitting fees to Non- executive directors	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Interest paid on Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
12	Sale of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,84,40,000 (1,54,00,000)
13	Purchase of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	(60,95,302) (Nil)
14	Professional Charges / Advisory Charges	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (9,00,000)
15	Outstanding as on 31st March 2021						
	(a) Amount Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(b) Loan Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(c) Expenses Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(d) Remuneration Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Notes:							
1. Figures in bracket represent previous year amounts.							
2. Figures has been Regrouped/Rearranged accordingly							

3. Related Party Disclosures for the period ended 31st March 2020 in accordance with Indian Accounting Standard (Ind AS)-24.							
a) List of related parties & relationships, where control exists.							
Sr. No.	Nature of Relationship	Name of Parties					
1	Holding Company	Nil					
2	Subsidiary Company	Nil					
3	Associates	Nil					
4	Key Management Personnel	Mr. Avinash Chander Sharma (Director) Mr. Ashok Kumar (Manager & Chief Financial Officer) Mr. Vikas Jain (Company Secretary)					
5	Relatives of Key Management Personnel	Nil					
6	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives	Swiss Military Life Style Products Private Limited Promoshirts SM Private Limited					
b) Transactions with Related Parties							
(Amount in Rs)							
	Transactions	Holding Company	Subsidiary Company	Associates	Key Management Personnel (Directors)	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives
1	Remuneration	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	Loan Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Repayment of Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Sitting fees to Non- executive directors	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Interest paid on Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
12	Professional Charges / Advisory Charges / Sitting Fee	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	9,20,000 7,30,000	Nil (Nil)
13	Outstanding as on 31st March 2020						
	(a) Amount Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(b) Loan Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(c) Expenses Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	(d) Remuneration Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Notes:	1. Figures in bracket represent previous year amounts. 2. Figures has been Regrouped/Rearranged accordingly						

Annexure - VIII			
Restated Statement of Accounting Ratios			
Particulars	(Amount in Rs.)		
	For the Year ended 31st March		
	2022	2021	2020
Current Assets (A)	22,00,16,857	2,59,64,883	2,95,66,158
Current Liabilities (B)	10,05,93,988	5,57,166	42,96,012
Borrowings (C)	6,75,00,000	-	-
Equity Share Capital (D)	19,65,93,992	9,82,96,996	9,82,96,996
Profit after tax (net income) (E)	2,74,70,948	2,56,189	(19,55,067)
Shareholders funds (F)	16,65,02,207	4,07,34,263	4,04,78,074
Cost of Goods Sold (G)	50,70,82,493	4,74,13,208	3,76,06,609
Average Inventory (H)	2,63,50,509	30,77,260	13,13,112
Net Credit Sales (I)	55,49,67,780	5,19,41,600	3,53,07,341
Average Trade Receivables (J)	4,09,68,384	51,77,509	61,22,220
Purchases (K)	54,96,37,108	5,14,05,090	3,71,43,024
Average Trade Payables (L)	1,16,74,949	21,44,500	20,68,000
Working Capital (M)	11,94,22,869	2,54,07,717	2,52,70,146
Earning before interest & Tax (N)	2,74,55,383	2,56,189	(19,55,067)
Capital Employed (O)	16,65,02,207	4,07,34,263	4,04,78,074
Profit for the period/year (including OCI) (P)	2,74,70,948	2,56,189	(1,74,14,667)
Weighted Average Number of Equity Shares outstanding at the end of the year (Q)	4,91,48,498	4,91,48,498	4,91,48,498
Networth (R)	16,65,02,207	4,07,34,263	4,04,78,074
Current Ratio (in times) (A/B)	2.19	46.60	6.88
Debt-Equity Ratio (in times) (C/D)	0.34	-	-
Debt Service Coverage Ratio (in times) (E/C)	0.41	-	-
Return on Equity Ratio (%) (E/F)	0.16	0.01	(0.05)
Inventory turnover Ratio (in times) (G/H)	19.24	15.41	28.64
Trade Receivables turnover Ratio (in times) (I/J)	13.55	10.03	5.77
Trade Payables turnover Ratio (in times) (K/L)	47.08	23.97	17.96
Net Capital turnover Ratio (in times) (I/M)	4.65	2.04	1.40
Net profit Ratio (%) (E/I)	0.05	0.00	(0.06)
Return on Capital employed (%) (N/O)	0.16	0.01	(0.05)
Basic Earning Per Shares (Rs.) (P/Q)	0.56	0.01	(0.35)
Diluted Earning Per Shares (Rs.) (P/Q)	0.56	0.01	(0.35)
Return on networth (%) (P/F)	0.16	0.01	(0.43)
Net Asset value per equity share (Rs.) (R/Q)	3.39	0.83	0.82
The Ratios have been computed as below:			
1. Current Ratio = Current Assets/ Current Liabilities			
2. Debt Equity Ratio= Total Liabilities/Total Shareholders' Equity			
3. Debt Service Coverage Ratio = Net Operating Income /Total Debt Service			
4. Return on Equity Ratio = Net Income/ Shareholders Equity			
5. Inventory turnover Ratio = Cost of Goods sold/Average value of inventory			
6. Trade Receivables turnover Ratio = Net Credit Sales/ Average Trade Receivables			
7. Trade Payables turnover Ratio = Total Purchase/ Average Trade Payables			
8. Net Capital turnover Ratio = Sales/ Working Capital			
9. Net profit Ratio = Net profit after tax/Net Sales			
10. Return on Capital employed = Earning before interest and Tax/ Capital Employed			
11. Earnings per share = Profit available to equity shareholders/ weighted avg number of outstanding equity shares during the year/period.			
12. Diluted Earnings per share = Profit available to equity shareholders/ weighted avg number of potential equity shares outstanding during the year/period.			
13. Return on Networth= Profit available to equity shareholders/ Net worth (net worth means= Shareholders funds i.e. Equity share capital +other equity).			
14. Net Asset Value per equity share= Networth/ Number of equity shares outstanding during the year/period.			

Annexure- IX			
Restated Statement of Tax Shelters			
	(Amount in Rs.)		
Particulars	As at 31st March		
	2022	2021	2020
Profit/(Loss) before tax as per restated statement of profit & loss	2,74,55,383	2,56,189	(19,55,067)
Applicable Tax Rate %			
Normal Tax Rates	25.17%	25.17%	25.17%
Adjustments			
Amount inadmissible u/s 14A	-	-	4,20,438
Profit/Loss on sale of Property, Plant & Equipment	(18,73,050)	-	-
Depreciation as Per Companies Act, 2013	3,81,559	55,560	84,152
Depreciation as Per Income Tax Act, 1961	(5,27,194)	(59,829)	(83,255)
Adjustment in respect of ICDS	-	-	(7,980)
Disallowance under section 37	25,98,271	-	-
Income covered under other heads of income	(2,07,350)	-	(10,509)
Dividend Income	-	-	(57,700)
Income under head other Income			
Term deposit Interest	2,07,350	-	10,509
Dividend Income (exempt)	-	-	-
Deduction U/s 80G	-	-	-
Net Adjustments	5,79,586	(4,269)	3,55,655
Gross Total Income/(Loss) (B)	2,80,34,969	2,51,920	(15,99,412)
Losses setoff during the period/year	2,80,34,969	2,51,920	-
Total Taxable Income	-	-	(15,99,412)
Losses to be carried forward (including Unabsorbed Depreciation)	1,23,08,712	4,03,43,681	4,29,93,478
Tax payable at Normal rate	-	-	-
Total Tax Due on Taxable Income	-	-	-
Surcharge	-	-	-
Education Cess	-	-	-
Tax Payable Including Surcharge & Education cess	-	-	-
Less: Prepaid Tax: TDS	91,988	31,078	476
Tax Payable/Refund	(91,988)	(31,078)	(476)
Note: The above statements should be read with the Summary Statement of significant accounting policies, Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement of Changes in Equity appearing in Annexure V,I,II,III,IV respectively and other accompanying notes.			

Annexure-X		
Restated Restatement of Capitalization		
Particulars	Pre Issue	Post Issue
	As at 31st March, 2022	
Total Borrowings		
Current Borrowings	6,75,00,000	-
Non- Current Borrowings	-	-
Total Borrowings	6,75,00,000	-
Total Equity		
Equity Share Capital	19,65,93,992	-
Other Equity	(3,00,91,785)	-
Total Capital	16,65,02,207	-
Non-Current Borrowings/Total equity	-	-
Total Borrowings/Total Equity	41%	-
Note: Current Borrowings are represent debts which are due within 12 months.		

Annexure-XI

Notes to the Restated Financial Information

1. Contingent Liabilities

There are no contingent liabilities as at 31st March, 2022 except as mentioned in Annexure V, for any of the years covered by the statements.

2. Exceptional Items

During the year Profit from Sale of Property, Plant and Equipment Rs. 18,73,050/-

3. During the year the Company has made an advance payment of Rs. 4,18,99,280/- (Rupees Four Crore Eighteen Lakh Ninety Nine Thousand Two Hundred Eighty only) towards acquisition of 100% equity shares of AAA Shenyang Container Seal Pvt Ltd. a company engaged in the business of RFID e-seals, other security seals and parts, electronic information technology development, electronic product sales etc.

The company has made the request for transfer of shares in the name of the company and same will be effected, upon necessary approval of From FCTRS by the RBI, for the shares acquired from foreign company.

4. Segment Reporting (Ind AS-108)

The Company is primarily engaged in trading activities. Since this segment meets the aggregation criteria as per the requirements of Ind AS 108 on 'Operating segments', the management considers this as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

5. Remuneration to Auditors

(Amount in Rs.)

Particulars	For the year ended 31st March		
	2022	2021	2020
Statutory Audit Fees	60000	60,000	60,000
Tax Audit Fees	20000	20,000	20,000
Limited Review and Other Services	65000	20,000	20,000
Total	1,45,000	1,00,000	1,00,000

Note: Fees excluding Goods and Services Tax.

6. There are no dues to Micro enterprises and Small enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on Balance Sheet date.

7. Foreign Currency Exposure

Nature of Foreign Currency	UoM	As at 31st March 2022		As at 31st March 2021		As at 31st March 2020	
		FCY	Rs.	FCY	Rs.	FCY	Rs.
Advance for Import	USD	-	-	0.23	16.84	-	-
Purchase Import (net of advance)	USD	0.01	0.46		-	-	-

8. Related Party Disclosure

Related party transactions are reported as per Indian Accounting Standard (Ind AS)-24 as amended. Details has been given in Annexure-VI to the Restated Statement of Related party transaction.

9. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

10. Financial instruments

a. Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy.

Particulars	Hierarchy	March	March	March
	Level	31, 2022	31, 2021	31, 2020
Financial Assets				
Measured at Amortized cost				
- Investments in Equity Instruments	Level 2	4,18,99,280	15,004,734	15,004,734
- Investments in partnership firm	Level 2	-	100,000	100,000
- Trade receivables	Level 2	7,23,91,850	9,544,917	810,100
- Cash and Cash equivalents	Level 2	5,25,01,516	7,131,919	16,265,374
- Other financial assets	Level 2	22,40,663	1,079,060	1,153,060
Financial Liabilities				
Measured at Amortized cost				
- Borrowings	Level 2	6,75,00,000	-	-

- Trade payables	Level 2	2,55,79,668	153,000	4,136,000
- Other financial liabilities	Level 2	43,58,549	360,759	-

The carrying amount of financial assets and financial liabilities recognized in the financial statements approximates their fair value.

b. Fair Value measurement

Fair valuation techniques and inputs used

(i) Fair value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the input used in determining fair value, the Group has classified instruments into the three levels prescribed under the accounting standard.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are input other than quoted market prices included Level 1 that is observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market - corroborated inputs')

Level 3 Inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

11. Notes to adjustments:

- a) Adjustments for audit qualification: None

- b) Significant errors, non-provisions, material regrouping and other adjustments: None
- c) Changes in accounting policies: None
- d) Non-adjusting items: : None

12. The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company. The management has considered the possible effects that may result from the pandemic.

As per our report of even date
attached

**For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N**

For and On behalf of the Board of Directors

**CA Nitin Jain
Partner
M. No. 089895**

**Ashok Kumar Sawhney
Director
DIN : 00303519**

**Anuj Sawhney
Director
DIN : 00471724**

**Place : New Delhi
Date : 07th May, 2022**

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial years ended , March 31, 2020, March 31, 2021 and March 31, 2022, included in this Letter of Offer, prepared in accordance with the Companies Act and Indian Accounting Standard (Ind AS) and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the Chapter titled - “Restated Financial Information” beginning on page 91 of this Letter of Offer. Our Company’s Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or Fiscal are to the twelve months ended March 31 of that year. Ind AS may differ in certain aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Letter of Offer, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Ind AS financial statements included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with the Companies Act, Ind AS and SEBI ICDR Regulations. This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in “Risk Factors” and “Forward Looking Statements” beginning on pages 27 and 21 of this Letter of Offer respectively. In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Swiss Military Consumer Goods Limited, our Company.

Business Overview

Our Company was originally incorporated as “Network India Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on January 25, 1989, by the Registrar of Companies, Delhi & Haryana. Subsequently, the certificate of commencement of business was granted to our Company on January 09, 1990, by the Registrar of Companies, Delhi & Haryana. Thereafter, the name of our Company was changed from “Network India Limited” to “Network Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana on November 09, 1990. The name of our Company was changed to its present name “Swiss Military Consumer Goods Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi on December 03, 2020.

The Corporate Identification Number of our company is L51100DL1989PLC034797.

Our Company is involved in promoting, marketing and selling the products under the brand “Swiss Military”.

Our Company is Promoted by Mr. Anuj Sawhney, Mrs. Ashita Sawhney, M/s Anushi Retail LLP, M/s Swiss Military Lifestyle Products Private Limited and other promoter group

On the basis of our restated standalone financial statements, our total revenue from operations for FY 2022, FY 2021 and FY 2020 was Rs. 5549.67 Lakh, Rs. 519.42 Lakh and Rs. 353.07 Lakh respectively and our net profit/(loss) for FY 2022, 2021 and FY 2020 was Rs. 274.70 Lakh, Rs. 2.56 Lakh and Rs.(19.55) Lakh respectively.

Our key strengths

We believe the following are our key strengths:

- *Debt Free Company*
- *Experienced Promoters and Management*
- *Exclusive Licensing arrangement with Internationally renowned and Celebrated Brand “Swiss Military” under Home Appliances Vertical and Men’s Innerwear & Loungewear verticals.*
- *Sustainability of the already established products in the international market*

- Well known brand for Quality, standards and utility of the products.

For further details, kindly refer the section titled “Risk Factors” beginning on page 27 of this Letter of Offer and the chapter titled “Our Business ” beginning on page 63 of this Letter of Offer.

Our key strategies

Our key strategic initiatives are as under:

- *Entering exclusive Long-term Licensing arrangement for the use of brand “Swiss Military” under Home Appliances Vertical and Men’s Innerwear & Loungewear verticals.*
- *Making strategic Tie-up for Manufacturing RFID e-seal essential Category under RFID Technology*
- *Entering in to a market with targeting Middle Class Population Market under Essential Category Brown Goods/ Home Appliances Vertical and Men’s Innerwear by placing the brand under Affordable Luxury*
- *Decision to promote and market the brand on Social E Network to give deep impact to the consumer vis-à-vis cost effective comparing normal marketing*
- *Decision to introduce the brand at lucrative offers to the channel partners in the initial years to take a competitive edge from the existing competitors without spending on advertisements.*

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO MARCH 31, 2022 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Impact of Covid-19

An outbreak of Covid-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the Covid-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Due to Covid-19, our business operations during initial few months of FY 2020-21 was adversely affected. Our company had taken necessary steps to restart the business operations in gradual manner. Further, India experienced second wave of infections that had significantly increased the number of persons impacted by COVID-19 during April-June 2021. The Government of India and state governments in India had re-imposed state-wise partial lockdowns and other more restrictive measures in an effort to stop the resurgence of new infections and new variants of the virus. This has also affected the business operation of our company during Q1 of FY 2021-22. Further, the State governments in India again re-imposed state-wise partial lockdowns and other restrictive measures in the month of January 2022.

Except the impact on account of Covid-19 disclosed as above, no circumstances have arisen since the date of the last Restated Financial Statements as disclosed in this Letter of Offer which materially and adversely affects or is likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months of the date of the last Restated Financial Statements as disclosed in this Letter of Offer. Except the impact on account of Covid-19, there is no development subsequent to March 31, 2022 that we believe is expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

FACTORS AFFECTING OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The business of our Company is subject to various risks and uncertainties including those discussed in section titled “Risk Factors” on page 27 of this Letter of Offer. Our financial condition and results of operations are affected by various factors of which the following are of particular importance:

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

- Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.
- Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.
- Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.
- A slowdown in economic growth in India and globally could cause our business to suffer.

Our Significant Accounting Policies: Our significant accounting policies are described under Chapter titled “Restated Financial Information” on page 91 of this Letter of Offer.

Change in accounting policies in previous 3 (three) years: Except as mentioned under Chapter titled “Restated Financial Information” on page 91 of this Letter of Offer, there has been no change in accounting policies in last 3 (three) years.

SUMMARY AND COMPARISON OF SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE OF THE COMPANY

The following table sets forth selected financial data from our restated standalone profit and loss accounts for financial years ended 2022, 2021 and 2020:

Particulars	Amount in Rs. Lakh					
	FY ended March 31, 2022		FY ended March 31, 2021		FY ended March 31, 2020	
	Amount (Rs. in Lakh)	Percent	Amount (Rs. in Lakh)	Percent	Amount (Rs. in Lakh)	Percent
Revenue from Operations	5549.67	99.64%	519.42	99.14%	353.07	86.89%
Other Income	20.26	0.36%	4.50	0.86%	53.28	13.11%
Total Revenue	5569.94	100.00%	523.92	100.00%	406.35	100.00%
Cost of Good Sold (i.e net of Change in Inventories of Stock in Trade)	5070.83	91.04%	474.13	90.50%	376.06	92.55%
Employee Benefits Expenses	68.34	1.23%	17.35	3.31%	14.79	3.64%
Finance Cost	-	0.00%	-	0.00%	-	0.00%
Other expenses	171.13	3.07%	29.32	5.60%	34.21	8.42%
Depreciation and amortization expenses	3.81	0.07%	0.55	0.10%	0.84	0.21%
Total Expenditure	5,314.11	95.41%	521.35	99.51%	425.90	104.81%
Profit before Tax and before exceptional items	255.83	4.59%	2.57	0.49%	(19.55)	-4.81%
Exceptional items	18.73	0.34%	-	0.00%	-	0.00%
Profit before Tax and after exceptional items	274.56	4.93%	2.57	0.49%	(19.55)	-4.81%
Current Tax (Including tax adjustment for earlier years)	-	0.00%	-	0.00%	-	0.00%
Deferred Tax	(0.15)	0.00%	-	0.00%	-	0.00%
Total tax expenses	(0.15)	0.00%	-	0.00%	-	0.00%
Profit for the period	274.71	4.93%	2.57	0.49%	(19.55)	-4.81%

Note: During the year ended March 31, 2020, other income is Rs. 53.28 Lakh which is 13.11% of total revenue. The Other income during the year ended March 31, 2020 is mainly on account of Profit from Sale of Investment of Rs. 52.60 Lakh (non-recurring in nature).

Financial Performance Highlights for year ended March 31, 2022

Total revenue

The company's total revenue during the year ended March 31, 2022 was Rs. 5569.94 Lakh. The revenue from operation was Rs. 5549.67 Lakh which comprised 99.64% of company's total revenue for the year ended March 31, 2022. The Other income of Rs. 20.26 Lakh (0.36 % of total revenue) is mainly on account of interest from Fixed Deposits, exchange fluctuation, Transportation & courier charges received and misc. income.

Total expense

The total expenditure during the year ended March 31, 2022 was Rs. 5314.11 Lakh. The total expenditure represents 95.41% of the total revenue. The total expenses are represented by cost of goods sold of Rs. 5070.83 Lakh (91.04% of total revenue), employee benefit expenses of Rs. 68.34 Lakh (1.23% of total revenue), other expenses of Rs. 171.13 Lakh (3.07% of total revenue) and depreciation & amortization of Rs. 3.81 Lakh (0.07% of total revenue).

Profit / (loss) after tax

The restated net profit during the year ended March 31, 2022 was Rs. 274.71 Lakh representing 4.93% of the total revenue of the Company.

COMPARISON OF HISTORICAL RESULTS OF OPERATIONS**FINANCIAL YEAR ENDED ON MARCH 31, 2022 COMPARED TO YEAR ENDED ON MARCH 31, 2021****1) Total Revenue**

Our total revenue increased to Rs. 5569.94 Lakh for the year ended on March 31, 2022, as compared to Rs. 523.92 Lakh for the year ended on March 31, 2021. Our total revenue during FY 2021-22 has increased by 963.13% as compared to FY 2020-21.

2) Total Expenditure

Our total expenditure increased to Rs. 5314.11 Lakh for the year ended on March 31, 2022 as compared to Rs. 521.35 Lakh for the year ended on March 31, 2021. Total expenditure for the year ended on March 31, 2022 stood at 95.41% of the total revenue as compared to 99.51% for the year ended on March 31, 2021. In absolute terms, total expenditure during FY 2021-22 has increased by 919.30% as compared to FY 2020-21.

3) Revenue from operations

Our revenue from operations increased to Rs. 5549.67 Lakh for the year ended on March 31, 2022, as compared to Rs. 519.42 Lakh for the year ended on March 31, 2021. Operating Revenue for the year ended on March 31, 2022 stood at 99.64% of the total revenue as compared to 99.14% for the year ended on March 31, 2021. In absolute terms, Operating Revenue during FY 2021-22 has increased by 968.44% as compared to FY 2020-21.

4) Other income

Our Other Income increased to Rs. 20.26 Lakh for the year ended on March 31, 2022, as compared to Rs. 4.50 Lakh for the year ended on March 31, 2021. Other Income for the year ended on March 31, 2022 stood at 0.36% of the total revenue as compared to 0.86% for the year ended on March 31, 2021. During the year ended March 31, 2021, other income was Rs. 4.50 Lakh which was 0.86% of total revenue. The other income during the year ended March 31, 2021 is mainly on account of interest from Fixed Deposits of Rs. 2.44 Lakh and miscellaneous income of Rs. 2.06 Lakh.

5) Cost of Goods sold (i.e net of Change in Inventories of Stock in Trade)

Cost of Goods sold as a percentage of total income was 91.04% during the year ended March 31, 2022 as compared to 90.50% during the year ended March 31, 2021. In absolute terms, Cost of Goods sold was Rs. 5070.83 Lakh during the year ended March 31, 2022 as compared to Rs. 474.13 Lakh during the year ended March 31, 2021 representing an increase of 969.48% in FY 2021-22 as compared to FY 2020-21.

6) Employee Benefit Expenses

Employee Benefit Expenses as a percentage of total income was 1.23% during the year ended March 31, 2022 as compared to 3.31% during the year ended March 31, 2021. In absolute terms, Employee Benefit Expenses was Rs. 68.34 Lakh during the year ended March 31, 2022 as compared to Rs. 17.35 Lakh during the year ended March 31, 2021 representing an increase of 293.89% in FY 2021-22 as compared to FY 2020-21.

7) Other Expenses

Other expenses as a percentage of total income was 3.07% during the year ended March 31, 2022 as compared to 5.60% during the year ended March 31, 2021. In absolute terms, Other Expenses was Rs. 171.13 Lakh during the year ended March 31, 2022 as compared to Rs. 29.32 Lakh during the year ended March 31, 2021 representing an increase of 483.66% in FY 2021-22 as compared to FY 2020-21.

8) Profits Before Tax

Profits before tax as a percentage of total income was 4.93% during the year ended March 31, 2022 as compared to Profits before tax of 0.49% during the year ended March 31, 2021. In absolute terms, Profit before tax was Rs. 274.56 Lakh during the year ended March 31, 2022 as compared to profit before tax of Rs. 2.57 Lakh during the year ended March 31, 2021.

9) Profits After Tax

Profits After tax as a percentage of total income was 4.93% during the year ended March 31, 2022 as compared to profit after tax of 0.49% during the year ended March 31, 2021. In absolute terms, Profit after tax was Rs. 274.71 Lakh during the year ended March 31, 2022 as compared to profit after tax of Rs. 2.57 Lakh during the year ended March 31, 2021.

FINANCIAL YEAR ENDED ON MARCH 31, 2021 COMPARED TO YEAR ENDED ON MARCH 31, 2020

1) Total Revenue

Our total revenue increased to Rs. 523.92 Lakh for the year ended on March 31, 2021, as compared to Rs. 406.36 Lakh for the year ended on March 31, 2020. Our total revenue during FY 2020-21 has increased by 28.93% as compared to FY 2019-20

2) Total Expenditure

Our total expenditure increased to Rs. 521.36 Lakh for the year ended on March 31, 2021 as compared to Rs. 425.91 Lakh for the year ended on March 31, 2020. Total expenditure for the year ended on March 31, 2021 stood at 99.51% of the total revenue as compared to 104.81% for the year ended on March 31, 2020. In absolute terms, total expenditure during FY 2020-21 has increased by 22.41% as compared to FY 2019-20.

3) Revenue from operations

Our revenue from operations increased to Rs. 519.42 Lakh for the year ended on March 31, 2021, as compared to Rs. 353.07 Lakh for the year ended on March 31, 2020. Operating Revenue for the year ended on March 31, 2021 stood at 99.14% of the total revenue as compared to 86.89% for the year ended on March 31, 2020. In absolute terms, Operating Revenue during FY 2020-21 has increased by 47.11% as compared to FY 2019-20.

4) Other income

Our Other Income decreased to Rs. 4.51 Lakh for the year ended on March 31, 2021, as compared to Rs. 53.28 Lakh for the year ended on March 31, 2020. Other Income for the year ended on March 31, 2021 stood at 0.86% of the total revenue as compared to 13.11% for the year ended on March 31, 2020. During the year ended March 31, 2020, other income was Rs. 53.28 Lakh which was 13.11% of total revenue. The Other income during the year ended March 31, 2020 is mainly on account of Profit from Sale of Investment of Rs. 52.60 Lakh (non-recurring in nature).

5) Cost of Goods sold (i.e net of Change in Inventories of Stock in Trade)

Cost of Goods sold as a percentage of total income was 90.50% during the year ended March 31, 2021 as compared to 92.55% during the year ended March 31, 2020. In absolute terms, Cost of Goods sold was Rs. 474.13 Lakh during the year ended March 31, 2021 as compared to Rs. 376.07 Lakh during the year ended March 31, 2020 representing an increase of 26.08% in FY 2020-21 as compared to FY 2019-20.

6) Employee Benefit Expenses

Employee Benefit Expenses as a percentage of total income was 3.31% during the year ended March 31, 2021 as compared to 3.64% during the year ended March 31, 2020. In absolute terms, Employee Benefit Expenses was Rs. 17.35 Lakh during the year ended March 31, 2021 as compared to Rs. 14.79 Lakh during the year ended March 31, 2020 representing an increase of 17.28% in FY 2020-21 as compared to FY 2019-20.

7) Other Expenses

Other expenses as a percentage of total income was 5.60% during the year ended March 31, 2021 as compared to 8.42% during the year ended March 31, 2020. In absolute terms, Other Expenses was Rs. 29.33 Lakh during the year ended March 31, 2021 as compared to Rs. 34.21 Lakh during the year ended March 31, 2020 representing a decrease of 14.27% in FY 2020-21 as compared to FY 2019-20.

8) Profits Before Tax

Profits before tax as a percentage of total income was 0.49% during the year ended March 31, 2021 as compared to loss before tax of 4.81% during the year ended March 31, 2020. In absolute terms, Profit before tax was Rs. 2.56 Lakh during the year ended March 31, 2021 as compared to loss before tax of Rs. 19.55 Lakh during the year ended March 31, 2020

9) Profits After Tax

Profits After tax as a percentage of total income was 0.49% during the year ended March 31, 2021 as compared to loss before tax of 4.81% during the year ended March 31, 2020. In absolute terms, Profit after tax was Rs. 2.56 Lakh during the year ended March 31, 2021 as compared to loss before tax of Rs. 19.55 Lakh during the year ended March 31, 2020

Discussion of other aspects as mandated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

- (a) **Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**
Except as described in this Letter of Offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.
- (b) **Significant economic changes that materially affected or are likely to affect income from continuing operations;**
To the knowledge of the management of our Company, there have been no significant economic changes in the industry in the recent past, which are likely to affect income from continuing operations.
- (c) **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;**
Apart from the risks as disclosed under Section "Risk Factors" beginning on page 27 of this Letter of Offer, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.
- (d) **Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known;**

Other than as described in the Section titled “**Risk Factors**” on page 27 of this Letter of Offer, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

- (e) **Details of the extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;**
Increases in revenues are by and large linked to increases in volume of business.
- (f) **Details of the total turnover of each major industry segment in which the issuer operated;**
Our Company is currently operating in one business segment and the entire turnover of the Company is from its current business segment.
- (g) **Details of status of any publicly announced new products or business segment;**
As our Company has not announced any new Product, this is not applicable.
- (h) **Details of the extent to which business is seasonal;**
Our Company’s business is not seasonal in nature.
- (i) **Details of significant dependence on a single or few suppliers or customers;**
The revenue of our company is dependent on top 10 customers.
- (j) **Competitive conditions.**
We face competition from the unorganized sector as well as organized sector. For further details, kindly refer the chapter titled “**Our Business**” beginning on page 63 of this Letter of Offer.

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and traded on BSE Limited from July 29, 1992.

Stock Market Data of the Equity Shares

- a. The high, low and average market prices of the equity shares of the company during the preceding three years:

Financial Year	High (Rs.)	Date of high	No. of shares traded on date of high	Total volume traded on date of high (in Rs.)	Low (Rs.)	Date of low	No. of shares traded on date of low	Total volume of traded on date of low (in Rs.)	Average price for the year (Rs.)*
2019-20	2.22	24-Jun-19	105	231	0.91	17-Feb-20	1439	1319	1.1
2020-21	6.66	22-Feb-21	2640	17582	0.92	09-Jun-20	4394	4240	4.7
	6.66	01-Mar-21	57610	383682					
	6.66	08-Mar-21	8401	55430					
2021-22	38.5	17-Feb-22	724009	26418408	5.08	08-Nov-21	1600	8128	24.4

**Sum of total turnover for the period divided by number of shares traded during the period.*

- b. Monthly high and low prices for the six months preceding the date of filing the Letter of Offer with BSE Limited:

Month	Date of high	High (Rs.)	Volume (No. of shares)	Total volume traded on date of high	Date of low	Low (Rs.)	Volume (No. of shares)	Total volume traded on date of low	Average price for the month (Rs.)*
				(in Rs.)				(in Rs.)	
Jan-22	31-Jan-22	27.6	423198	11680264	03-Jan-22	10.98	2373	26055	21.6
Feb-22	17-Feb-22	38.5	724009	26418408	February 07, 2022	24.15	1118199	29358607	29.37
Mar-22	03-Mar-22	30.7	196534	5995862	17-Mar-22	20.65	487378	10583876	24.92
Apr-22	20-Apr-22	29.95	395574	11260794	29-Apr-22	24.9	75933	1915959	27.75
					28-Apr-22	24.9	86515	2211041	
May-22	02-May-22	26.35	236415	5935700	26-May-22	20.1	126312	2583441	23.51
Jun-22	07-Jun-22	28.95	1042013	29946448	21-Jun-22	23.30	68392	1666449	26.72
July-22	08-July-2022	28.25	96564	2498671	04-July-2022	24.4	50117	1266243	25.66

**Sum of total turnover for the period divided by number of shares traded during the period.*

- c. Total number of days of trading during the preceding six months: Total Number of days traded during January 01, 2022 till June 30, 2022 - 123 days.

- d. Market price of equity shares immediately after the date on which the resolution of the board of directors approving the issue: The closing market price of the Equity Shares of the Company on BSE Limited, as on February 28, 2022 (being a day immediately after the date on which resolution of Board of Directors was passed for approving Rights issue) was Rs. 27.95.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Directors, Subsidiaries or Promoters; (ii) actions by any statutory or regulatory authorities involving our Company, Directors, Subsidiaries or Promoters; or (iii) claim involving our Company, Directors, Subsidiaries or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Directors, Subsidiaries or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on September 10, 2021 (“Materiality Policy”) (as disclosed herein below).

In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:

A. involving our Company, Promoters, Directors and Subsidiaries:

- i. where the aggregate monetary claim made by or against our Company, in any such pending litigation proceeding is in excess of 01 percent of the turnover of our Company in the most recently completed Fiscal as per the Restated Standalone Financial Information which amounts to Rs. 55.70 Lakh. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company, in any such pending litigation proceeding is in excess of Rs. 55.70 Lakh (being 01 per cent of the turnover of our Company for the Fiscal 2022 as per the Restated Standalone Financial Information); and*
- ii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company have been considered “material”;*

B. involving our Directors and our Promoters (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.

Further, except as disclosed in this section, there are no disciplinary action taken against any of our Promoters by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Letter of Offer.

Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds 10 per cent of the total trade payables of our Company as per the most recently completed Fiscal as per the Restated Standalone Financial Information. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed

Rs.25.50 Lakhs (being approximately 10 per cent. of total trade payables of our Company as at March 31, 2022 as per the Restated Standalone Financial Information) (“Material Dues”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”) will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Unless stated to the contrary, the information provided in this section is as of the date of this Letter of Offer. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

1. LITIGATION INVOLVING OUR COMPANY

i. Litigation against our Company

1. Criminal Proceedings

NIL

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(Rs. in Lakhs)

Particulars	Number of cases	Amount involved*
	Indirect Tax	
Sales Tax/VAT	Nil	Nil
Central Excise and Customs	Nil	Nil
Service Tax	Nil	Nil
Total	Nil	Nil
	Direct Tax	
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

4. Other Material Litigations

S. No.	Brief particulars of litigation	Parties Involved	Court under which pending	Amount involved in such proceedings (in Rs. Lakh)
	Nil			

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

ii. Litigation by our Company

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

2. LITIGATION INVOLVING OUR PROMOTER

i. Cases filed against our Promoter

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Nil

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals*

Nil

ii. Cases filed by our Promoter

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

3. LITIGATION INVOLVING OUR DIRECTORS

i. Cases filed against our Directors

1. Criminal Proceedings

Nil

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Nil

4. Other Material Litigations

Nil

5. Disciplinary action against our Directors by SEBI or any stock exchange in the last five Fiscals

Nil

ii. Cases filed by our Directors

1. Criminal Proceedings

Nil

2. Other Material Litigations

Nil

4. LITIGATION INVOLVING OUR SUBSIDIARIES

Nil

5. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

In terms of the Materiality Policy dated September 10, 2021, our Company has 2 (Two) material creditors, as on March 31, 2022.

Particulars	No. of Creditors	Amount
Outstanding dues to small scale undertakings	Nil	-
Outstanding dues to other creditors	2	150.67
Total outstanding dues	32	104.34

As on March 31, 2022, the details of amounts outstanding towards small scale undertakings and other creditors are as follows:

(Rupee in Lakh)

Particulars	No. of Creditors	Amount
Outstanding dues to small scale undertakings	8	23.04
Outstanding dues to other creditors	24	81.30
Total outstanding dues	32	104.34

For further details, refer to the section titled “*Financial Information*” on page 91 of this Letter of Offer.

6. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

7. MATERIAL DEVELOPMENT SINCE MARCH 31, 2022.

Since the date of the last financial statements disclosed in this Letter of Offer, there have not arisen, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on page 133 of this Letter of Offer.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “Objects of the Issue” at page 51 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

The Issue has been authorised by a resolution of the Board passed at its meeting held on February 25, 2022, pursuant to Section 62 of the Companies Act, 2013.

The Committee of Directors of our Company has, at its meeting held on March 22, 2022, determined the Issue Price as Rs. 4.50 per Equity Share in consultation with the Lead Manager, and the Rights Entitlement as 1 (One) Equity Share for every 1 (One) Equity Share held on the Record Date.

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to its letter dated June 21, 2022. Our Company will also be making application to BSE to obtain its trading approval for the Rights Entitlements as required under the SEBI - Rights Issue Circulars.

Our Company has been allotted the ISIN INE010C20025 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "Terms of the Issue" beginning on page 156 of this Letter of Offer.

Prohibition by SEBI and other Governmental Authorities

Our Company, our Promoters, our Promoter Group or our Directors, the persons in control of our Company and the persons in control of our Corporate Promoters have not been and are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

The companies with which the Promoters or the Directors are associated as promoters or directors have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our individual Promoters nor any of our Directors have been declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Our Company, our Promoters, our Promoter Group or our Directors, the persons in control of our Company and the persons in control of our Corporate Promoters have not been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market.

Eligibility for this Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on BSE. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B-1 of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to BSE and has received in-principle approval for listing of the Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

Compliance with Part B-1 of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of the Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the websites of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

However, in terms of Clause (3) of Part B of Schedule VI of the SEBI ICDR Regulations, following issuers shall mandatorily make disclosures in the draft letter of offer/letter of offer as specified in Part B-1 of this Schedule:

- (a) an issuer whose management has undergone any change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable and is making a rights issue of specified securities for the first time subsequent to such change and a period of three full years has not elapsed since such a change;

- (b) an issuer whose specified securities have been listed consequent to the relaxation granted by the Board under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 for listing of its specified securities pursuant to a scheme sanctioned by a High Court under sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under sections 230-234 of the Companies Act, 2013, as applicable, and is making a rights issue of specified securities for the first time subsequent to such listing and a period of three full years has not elapsed since such listing.

Since the management of our Company has undergone change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, during the financial year 2020-21, the disclosures contained in the Draft Letter of Offer/Letter of Offer have been mandatorily made in terms of Part B-1 of Schedule VI of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is less than Rs. 5,000 Lakh. However, the Letter of Offer will be filed with SEBI.

Disclaimer from our Company and our Directors

Our Company accept no responsibility for statements made otherwise than in the Draft Letter of Offer/Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

Disclaimer in respect of Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi, India only.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of the Draft Letter of Offer is set out below:

“BSE Limited (“the Exchange”) has given vide its letter dated June 21, 2022, permission to this Company to use the Exchange’s name in this Letter of Offer as the stock exchange on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever””

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is BSE Limited.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Selling Restrictions

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and BSE.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and the Draft Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America;

(ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, legal advisor, Bankers to the Company, the Registrar to the Issue and the Bankers to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Our Company has received written consent dated May 07, 2022 from our Statutory Auditor, namely, M/s. B. K. Sood & Co., Chartered Accountants for inclusion of their examination report dated May 07, 2022 on our Restated Financial Information for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020; and to include their name in this Letter of Offer and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated May 07, 2022 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer.

Expert Opinion

Our Company has received written consent dated May 07, 2022 from our Statutory Auditor, namely, M/s. B. K. Sood & Co., Chartered Accountants to include their name as required in this Letter of Offer and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to its (i)

examination report dated May 07, 2022 on our Restated Financial Information for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 and (ii) statement of tax benefits dated May 07, 2022 in this Letter of Offer and such consent has not been withdrawn as of the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by M/s. B. K. Sood & Co., Chartered Accountants, our Company has not obtained any expert opinions.

Performance vis-à-vis objects - Public/Rights Issue of our Company

The Company has successfully completed the objects of the previous rights issue made in the financial year 2021-22. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Performance vis-à-vis objects - Last issue of listed Subsidiaries or Associates

Our Subsidiary Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer. Our Subsidiary Company is not listed on any Stock Exchange in India or abroad.

Stock Market Data of the Equity Shares

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchange, please refer to the chapter titled "Market Price Information" on page 140 of this Letter of Offer.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with BSE and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with BSE.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Alankit Assignments Limited is our Registrar and Share Transfer Agent. All investor grievances received by us

have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 156. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Investor Grievances arising out of this Issue Investors may contact the Registrar to the Issue at

Registrar to the Issue

Alankit Assignments Limited

4E/21, Alankit House, Jhandewalan Extension, New Delhi - 110055

Tel: +91-11- 42541966; **Fax:** +91-11-23552001

E-mail: abhinavka@alankit.com

Investor Grievance Email: smcgrights@alankit.com

Website: www.alankit.com

Contact Person: Mr. Abhinav Kumar Agrawal

SEBI Registration No.: INR000002532

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Mr. Vikas Jain

Company Secretary and Compliance Officer

Swiss Military Consumer Goods Limited

W-39, Okhla Industrial Area, Phase-II, New Delhi 110020;

Tel: +91-11- 41067060;

Email: cs@swissmilitaryshop.com

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Relaxation Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in the Letter of Offer.

The Eligible Equity Shareholders are requested to note that application in this issue can only be made through ASBA.

OVERVIEW

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

IMPORTANT

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not

provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) our Company at www.swissmilitaryshop.com;
- (ii) the Registrar at www.alankit.com;
- (iii) the Lead Manager, i.e. www.tcagroup.in;
- (iv) the Stock Exchange at www.bseindia.com; and

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.alankit.com>) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.swissmilitaryshop.com).

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the

issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue, will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “**Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**” below.

Please note that one single Application Form shall be used by Shareholders to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Shareholders who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Shareholders will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Shareholders are required to submit a separate Application Form for each demat account.

Shareholders may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “**Grounds for Technical Rejection**” below. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**” below.

➤ **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- (v) renounce its Rights Entitlements in full.

➤ **Making of an Application through the ASBA process**

Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the

ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Do's for Shareholders applying through ASBA:

- (a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary

account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Shareholders applying through ASBA:

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (b) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (d) Do not submit Application Form using third party ASBA account.

➤ **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being Swiss Military Consumer Goods Limited;
- (i) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (ii) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (iii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity

- Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- (iv) Number of Equity Shares held as on Record Date;
 - (v) Allotment option - only dematerialised form;
 - (vi) Number of Equity Shares entitled to;
 - (vii) Number of Equity Shares applied for within the Rights Entitlements;
 - (viii) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
 - (ix) Total number of Equity Shares applied for;
 - (x) Total amount paid at the rate of Rs. 4.50/- per Equity Share;
 - (xi) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
 - (xii) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
 - (xiii) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
 - (xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
 - (xv) All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a “U.S. Person” as defined in (“Regulation S”), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as

applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at <https://rights.alankit.com> .

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders' ASBA Accounts on or before the Issue Closing Date.

➤ **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either through email to the RTA at smcgrights@alankit.com or by post, speed post, courier or hand delivery, so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However,

such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

Application for Additional Equity Shares

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “Basis of Allotment” mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Additional general instructions for Shareholders in relation to making of an application

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- (e) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Manager.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the

courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.

- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- (h) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- (j) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (m) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit multiple Applications.
- (s) No investment under the FDI route (i.e. any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.
- (t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

➤ **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

- (c) Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand.
- (o) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Applications by non-resident Shareholders.

(a) Payment from third party bank accounts.

➤ • **Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “**Procedure for Applications by Mutual Funds**” mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) an Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “Capital Structure - Intention and extent of participation by our Promoter” mentioned above.

➤ **Procedure for Applications by certain categories of Shareholders**

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India,

as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre - approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Shareholders”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is, August 25, 2022, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “Basis of Allotment” mentioned below.

Please note that on the Issue Closing Date, applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

Shareholders who have applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Shareholders applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

➤ **Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.alankit.com>) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.swissmilitaryshop.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE010C20025. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. <https://rights.alankit.com>). Such Eligible

Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., on or before August 23, 2022 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

➤ Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well

➤ Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders

being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

➤ **Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE010C20025 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from August 10, 2022 to August 19, 2022 (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE010C20025 and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE010C20025, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholders' ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Shareholders

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Shareholders

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “The Issue” beginning on mentioned above.

➤ Fractional Entitlements

Since the Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1:1 (1 Equity Share for every 1 Equity Shares) held as on the Record Date. Accordingly, no circumstance would arise which would result in fractional entitlement.

➤ Ranking

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

➤ Listing and trading of the Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number DCS/RIGHT/JR/FIP/2343/2022-23 dated June 21, 2022. Our Company will apply to BSE for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 523558) under the ISIN: INE010C01025. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the regular ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

➤ **Subscription to this Issue by our Promoter and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see “**Capital Structure - Intention and extent of participation by our Promoter**” mentioned above.

➤ **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;

- d. The right to free transferability of Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

➤ **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is One Equity Share.

➤ **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

➤ **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

➤ **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be One Equity Share and hence, no arrangements for disposal of odd lots are required.

➤ **Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian

address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one Hindi language national daily newspaper with wide circulation being the regional language of New Delhi, where our Registered Office is situated.

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

➤ **Offer to Non-Resident Eligible Equity Shareholders/Shareholders**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at <https://rights.alankit.com> . It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is

eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non- residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at email id: smcgrights@alankit.com.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” AS MENTIONED ABOVE.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENT	Monday, August 01, 2022
ISSUE OPENING DATE	Wednesday, August 10, 2022
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS[#]	Friday, August 19, 2022
ISSUE CLOSING DATE*	Thursday, August 25, 2022
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	Wednesday, September 07, 2022
DATE OF ALLOTMENT (ON OR ABOUT)	Wednesday, September 07, 2022
DATE OF CREDIT (ON OR ABOUT)	Thursday, September 08, 2022
DATE OF LISTING (ON OR ABOUT)	Tuesday, September 13, 2022

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

** Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., Tuesday, August 23, 2022, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., by Wednesday, August 24, 2022.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- b) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- c) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity

Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/ blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable

law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

➤ Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through Unblocking amounts blocked using ASBA facility.

➤ Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

➤ Receipt of the Equity Shares in Dematerialized Form

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated September 18, 2000 with NSDL and an agreement dated September 07, 2000 with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having

various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Shareholders depository participant, would rest with the Shareholders. Shareholders' should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholders' depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
5. The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs.

0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 0.5 crore or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
- 3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6. Adequate arrangements shall be made to collect all ASBA Applications.
- 7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

- 1) Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.

- 2) All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “Swiss Military Consumer Goods Limited - Rights Issue” on the envelope and postmarked in India or in the e- mail) to the Registrar at the following address:

Alankit Assignments Limited
4E/21, Alankit House, Jhandewalan Extension, New Delhi - 110055
Tel: +91-11- 42541966; **Fax:** +91-11-23552001
E-mail: abhinavka@alankit.com
Investor Grievance Email: smcgrights@alankit.com
Website: www.alankit.com
Contact Person: Mr. Abhinav Kumar Agrawal
SEBI Registration No.: INR000002532

- 3) In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar <https://rights.alankit.com> . Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 011- 42541952.
- 4) The Shareholders can visit following links for the below-mentioned purposes:
- a) Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: <https://rights.alankit.com>
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: <https://rights.alankit.com>
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://rights.alankit.com>
 - d) Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders at email id at smcgrights@alankit.com

This Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 (“**FDI Circular 2017**”), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non- resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII - STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following are the copies of contracts which have been entered or are otherwise proposed to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.swissmilitaryshop.com from the date of this Letter of Offer until the Issue Closing Date.

I. Material Contracts for the Issue

- i. Memorandum of Understanding dated April 27, 2022 between our Company and Turnaround Corporate Advisors Private Limited, Lead Manager to the Issue;
- ii. Registrar Agreement dated April 27, 2022 entered into amongst our Company and the Registrar to the Issue;
- iii. Escrow Agreement dated June 07, 2022 amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

II. Material Documents

- i. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- ii. Annual Reports of the Company for the past three years.
- iii. Certificate of commencement of business dated January 09, 1990.
- iv. Fresh Certificate of incorporation dated November 09, 1990 consequent upon change of name from Network India Limited to Network Limited.
- v. Fresh Certificate of incorporation dated December 03, 2020 consequent upon change of name from Network Limited to Swiss Military Consumer Goods Limited.
- vi. Resolution of the Board of Directors dated February 25, 2022 in relation to the Issue.
- vii. Resolution of the Committee of the Board of Directors dated March 22, 2022 in relation to approving the quantum of issue, issue price and ratio of rights entitlement.
- viii. Resolution of our Board dated July 11, 2022, finalizing the terms of the Issue and Record Date.
- ix. Resolution of the Board dated July 11, 2022 approving and adopting the Letter of Offer
- x. The examination report of our Statutory Auditors on our Restated Financial Statements included in the Draft Letter of Offer/Letter of Offer.

- xi. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead Manager, Legal Advisor, the Registrar to the Issue, Banker to the Company, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer/Letter of Offer in their respective capacities.
- xii. Statement of Tax Benefits dated May 07, 2022 from the Statutory Auditor included in the Draft Letter of Offer/Letter of Offer.
- xiii. Tripartite Agreement dated September 18, 2000 between our Company, NSDL and the Registrar to the Issue.
- xiv. Tripartite Agreement dated September 07, 2000 between our Company, CSDL and the Registrar to the Issue.
- xv. In-principle listing approval each dated June 21, 2022 from BSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

(ANUJ SAWHNEY)
Director & Manager
DIN: 00471724

Sd/-

(ASHITA SAWHNEY)
Director
DIN: 08612232

Sd/-

(ASHOK SAWHNEY)
Director
DIN: 00303519

Sd/-

(RAJESH TUTEJA)
Independent Director
DIN: 08952755

Sd/-

(SURENDRA KUMAR BHAGAT)
Independent Director
DIN: 09365562

Sd/-

(CHIRAG GUPTA)
Independent Director
DIN: 09040722

SIGNED BY OUR CHIEF FINANCIAL OFFICER

Sd/-

(VIJAY KALRA)
Chief Financial Officer
PAN: ABMPK7734L

Date: July 11, 2022
Place: New Delhi