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SEBI/HO/49/14/17(4)2026-CFD-POD1//2086/2026
January 08, 2026

BOI Merchant Bankers Ltd.
Bank of India Building, 2nd Floor,
70-80, M.G. Road, Fort,
Mumbai – 400001

Kind Attention: Mr. Sanjay M Phadke
महोदय / महोदया,
Dear Sir / Madam,

विषय /Sub: Aastha Spintex Limited का प्रस्तावित आईपीओ / Proposed IPO of Aastha Spintex Limited (Company/Issuer)

- उपरोक्त से संबंधित प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डॉक्यूमेंट), भारतीय प्रतिभूति और विनिमय बोर्ड (सेबी) द्वारा मांगे गए स्पष्टीकरणों और उसके संबंध में दिए गए उत्तरों के संदर्भ में, यह सूचित किया जाता है कि इनकी जाँच करने पर यह पाया गया है कि इनमें कमियाँ हैं / भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के प्रावधानों और दिए गए अनुदेशों का पालन नहीं किया गया है, और आपके लिए यह जरूरी है कि आप स्टॉक एक्सचेंज और / या कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले उन कमियों को दूर करें और संबंधित प्रावधानों तथा दिए गए अनुदेशों का पालन करें। उपरोक्त के संबंध में की गई टिप्पणियों का और जिन शर्तों आदि का पालन किया जाना है, उनका जिक्र संलग्नक 'I' और संलग्नक 'II' में किया गया है। कृपया यह भी नोट करें कि संलग्नक में जो कमियाँ बताई गई हैं / कुछ और प्रकटीकरण (डिस्क्लोज़र) करने की बात कही गई है, यह सब आपको केवल उदाहरण के तौर पर ही बताया गया है। यह सुनिश्चित करने की जिम्मेदारी आपकी है कि सभी और सही प्रकटीकरण किए जाएं।

With reference to the Draft Offer Document in respect of captioned issue, clarifications sought by SEBI and the replies submitted therein, it is stated that on scrutiny of the same, deficiencies / instances of non-compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as SEBI (ICDR) Regulations, 2018) and instructions have been observed, which are required to be rectified / complied with by you before filing the Offer Document with the Stock Exchange and/ or ROC. Observations on the captioned issue and other conditions to be complied with are indicated in **Annexure 'I'** and **'II'**. It may be noted that the deficiencies / requirement of additional

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disclosures listed in the **Annexures** are merely illustrative and not exhaustive. It is your responsibility to ensure full and true disclosures.

2. बुक रनिंग लीड मैनेजर होने के नाते, आप यह सुनिश्चित करेंगे कि स्टॉक एक्सचेंज / कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले संलग्नक में दी हुई टिप्पणियों / शर्तों आदि के अनुसार प्रस्ताव दस्तावेज में बदलाव कर लिए जाएं। कंपनी रजिस्ट्रार / स्टॉक एक्सचेंज के पास अंतिम प्रस्ताव दस्तावेज दाखिल करने से पहले आपको हमें एक पत्र भेजकर इस बात की पुष्टि करनी होगी कि अपेक्षानुसार बदलाव कर लिए गए हैं और साथ ही यह भी बताना होगा कि प्रत्येक टिप्पणी / शर्त आदि के अनुसार बदलाव कैसे किए गए हैं। इसके अलावा और कोई भी बदलाव सेबी से लिखित सहमति लिए बिना नहीं किए जाएंगे।

As Book Running Lead Manager (LM), you shall ensure that all changes are effected based on the observations/ conditions contained in the Annexures before you file the Offer Document with the Stock Exchange / ROC. A letter confirming these changes and explaining, in-seriatim, the manner in which each observation / condition has been dealt with along with your comments should be submitted to us, before filing the Final Offer Document with Stock Exchange / ROC. **NO FURTHER CHANGES SHOULD BE EFFECTED WITHOUT SPECIFIC WRITTEN CONSENT OF SEBI.**

3. यह स्पष्ट किया जाता है कि भारतीय प्रतिभूति और विनियम बोर्ड (सेबी) के पास प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) दाखिल करने का अर्थ किसी भी तरह से यह न लगाया जाए कि सेबी द्वारा इसे मंजूरी प्रदान कर दी गई है। सेबी न तो इस बात की कोई जिम्मेदारी लेता है कि जिस स्कीम या परियोजना (प्रोजेक्ट) के लिए निर्गम (इश्यू) लाए जाने का प्रस्ताव है उसकी वित्तीय स्थिति अच्छी है और न ही इस बात की जिम्मेदारी लेता है कि प्रस्ताव दस्तावेज में दी गई जानकारी या व्यक्त की गई राय सही है। अग्रणी प्रबंधकों (लीड मैनेजर्स) ने यह प्रमाणित किया है कि प्रस्ताव दस्तावेज में जो प्रकटीकरण (डिस्क्लोज़र) किए गए हैं वे मोटे तौर पर पर्याप्त हैं और जो प्रकटीकरणों (डिस्क्लोज़र) तथा निवेशक संरक्षण के संबंध में उस समय लागू सेबी के विनियमों के प्रावधानों के अनुसार किए गए हैं। अग्रणी प्रबंधक यह भी सुनिश्चित करेंगे कि ऐसा भारतीय प्रतिभूति और विनियम बोर्ड [पँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के अनुसार भी किया जाए। ऐसा करना इसलिए जरूरी है, ताकि निवेशक प्रस्तावित निर्गम (इश्यू) में निवेश करने के संबंध में सोच-समझकर निर्णय ले सकें।

It is to be distinctly understood that submission of Offer Document to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the Offer Document. The LMs have certified that the disclosures made in the Offer Document are generally adequate and are in conformity with SEBI Regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

4. यह भी पूरी तरह से स्पष्ट किया जाता है कि यद्यपि इस बात की जिम्मेदारी मुख्य रूप से निर्गमकर्ता (इश्युअर) कंपनी की होती है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी अग्रणी प्रबंधकों (लीड मैनेजर्स) से अपेक्षित है कि वे यह सुनिश्चित करने के लिए पूरी तत्परता (ड्यू

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डिलिजेंस) बरतें कि कंपनी अपनी जिम्मेदारियाँ सही ढंग से निभाए, और इसी उद्देश्य से अग्रणी प्रबंधकों ने भारतीय प्रतिभूति और विनिमय बोर्ड (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018 के अनुसार सेबी के पास पूरी तत्परता बरते जाने के संबंध में तारीख March 26, 2025 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तुत किया है।

It should also be clearly understood that while the Issuer is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Offer Document, the LMs are expected to exercise Due Diligence to ensure that the Issuer discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated September 30, 2025 in accordance with SEBI ICDR Regulations, 2018.

- हालाँकि, कंपनी प्रस्ताव दस्तावेज दाखिल कर देने से ही कंपनी अधिनियम, 2013 की धारा 34 के तहत दी गई किसी भी बाध्यता से मुक्त नहीं हो जाती या वह कानूनी प्रावधानों के अनुसार ली जाने वाली मंजूरी या ऐसी कोई अन्य मंजूरी लेने से मुक्त नहीं हो जाती, जो प्रस्तावित निर्गम के संबंध में लेनी जरूरी हो। हालाँकि, सेबी प्रस्ताव दस्तावेज में कोई अनियमितता या कमी पाए जाने पर कभी भी अग्रणी प्रबंधकों के खिलाफ कार्रवाई कर सकता है।

The filing of Offer Document does not, however, absolve the Issuer from any liabilities under Section 34 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up, at any point of time, with the LMs any irregularities or lapses in Offer Document.

- किसी भी प्रचार सामग्री या विज्ञापन में ऐसा कुछ भी उल्लेख नहीं किया जाएगा, जो प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डाक्यूमेंट) में दी गई जानकारी से भिन्न हो। इस संबंध में आपका ध्यान विशेष रूप से कंपनी अधिनियम, 2013 की धारा 36 के प्रावधानों की ओर आकर्षित किया जाता है।

Any publicity materials / advertisements should not contain matters extraneous to the information contained in the Draft Offer Document. **Attention is specifically drawn to the provisions of Section 36 of the Companies Act, 2013.**

- अग्रणी प्रबंधक यह सुनिश्चित करें कि भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 के विनियम 25(1) और अनुसूची- III के अनुसार उपरोक्त निर्गम (इश्यू) के संबंध में फाइलिंग फीस की गणना किस प्रकार की गई है उसका एक विस्तृत विवरण, कंपनी रजिस्ट्रार के यहाँ प्रॉस्पेक्टस दाखिल किए जाने के सात दिनों के भीतर सेबी के पास प्रस्तुत कर दिया जाए और साथ ही अब तक अदा की गई फाइलिंग फीस का ब्यौरा भी दिया जाए।

The LMs are advised to ensure that a detailed calculation of filing fees in relation to the captioned issue in terms of Regulation 25(1) and Schedule III of the SEBI (ICDR) Regulations, 2018 is submitted to SEBI within seven days of filing the Prospectus with ROC, along with details of filing fees paid till date.

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आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से कम हो, तो ऐसे में अग्रणी प्रबंधक यह सुनिश्चित करेंगे और इस बात की पुष्टि करेंगे कि सेबी को शेष फीस अदा किए जाने के संबंध में इन विनियमों की अनुसूची-III के प्रावधानों का पालन किया गया है।

If filing fees paid by you is less than the actual fees required to be paid, the LMs are advised to ensure and confirm compliance with the provisions of Schedule III of the said Regulations in regard to payment of the balance fees to SEBI.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से अधिक हो, तो ऐसे में आप सेबी को सूचित करेंगे कि कितनी फीस लौटाई जानी है, साथ ही आप यह भी बताएंगे कि आपने लौटाई जाने वाली फीस की रकम की गणना कैसे की है और सेबी को किसके नाम पर भुगतान करना होगा।

If filing fees paid by you are more than the actual fees required to be paid, you are advised to inform SEBI about the amount to be refunded, along with detailed calculation of amount refundable and name of the person in whose favour, the payment may be made by SEBI.

8. प्रस्तावित निर्गम (इश्यू) इस अभिमत पत्र के जारी होने की तारीख से 12 महीनों के भीतर पैसा लगाने (अभिदान करने / सब्सक्रिप्शन) के लिए खोला जा सकता है।

The proposed issue can open for subscription within a period of 12 months from the date of issuance of this observation letter.

Place: Mumbai

Vandana Choudhary



Annexure I

OBSERVATIONS

1. Please refer to our letter / email dated October 17, 2025, November 27, 2025, December 16, 2025 and your reply vide letters / emails dated October 29, 2025, November 03, 2025, November 04, 2025, December 06, 2025, December 24, 2025 and December 30, 2025 and all other correspondences exchanged. In the above regard, LM is advised to ensure that the changes made pursuant to our initial clarifications and all correspondences exchanged are duly incorporated in the updated DRHP/ RHP/ Prospectus.
2. These observations while referring to a specific chapter or point, however the LM shall ensure to disclose the same across all pages/chapters where the same/similar matter occurs in the DRHP. The LM shall also ensure that these disclosures are made in all filings with SEBI as and when by the LM or wherever they are involved in the filing in any manner.
3. LM is advised that the cover page shall be in conformity with the advised font sizes.
4. Wherever the LM has mentioned "Noted for compliance", "Complied with and noted for compliance" and 'Undertake to update' in its replies, LM shall ensure that the same are duly complied with.
5. The LM is advised to ensure that the language used in the Offer Document is lucid, usage of abbreviations is limited, abbreviations to be used in the para, if already quoted in the same page / heading, any expressions, jargons or nomenclatures from other languages or not commonly used, are explained clearly at all relevant places.
6. LM is advised to ensure that the Risk Factors provide adequate explanation of risk, are placed based on materiality and provide cross-reference to the exact page no. of the Offer Document, wherein further information has been disclosed.
7. LM is advised to incorporate all the certificates issued by the Chartered Accountants under the section Material Contracts and Documents for Inspection.
8. LM is advised to ensure and confirm that all financial information disclosed in the Offer Document is certified by Chartered Accountant/ Statutory Auditor of the Issuer and such certificates shall form part of Material Contracts and Documents for Inspection.
9. LM is advised that wherever certificates of Chartered Accountants are mentioned/referred to in the Offer Document, UDIN (Unique Document Identification Number) of these certificates are also disclosed alongside these certificate details.
10. LM is advised to incorporate the valuation report issued by the Registered Valuer under the section Material Contracts and Documents for Inspection.
11. Wherever the LM has undertaken to modify the risk factors in its replies, the same shall be duly modified and incorporated in the updated DRHP/ RHP/ Prospectus.
12. LM is advised to ensure that all the cross references given in the Offer Document are correct, leading to the exact page.
13. In the Summary of Offer document, LM is advised to disclose the details of related party transactions including the name of each parties / relationship / nature of transaction /transaction value / and RPTs as percentage of total revenue. LM is advised to disclose a separate Risk Factor in top 10 highlighting the risk involved in such transactions. LM shall ensure that exact page reference is given for detailed RPT disclosure in the Offer Document.

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14. LM is advised to disclose whether any action has been taken / is pending against the promoter / promoter group/ director of the Issuer / Group Companies etc. by any regulatory authority in India or overseas.

15. LM is advised to ensure consistency of data mentioned across the Document.

16. RISK FACTORS (RF)

- 16.1. RF1 on Page no. 33 – LM is advised to clearly indicate the sales to the reseller 7 Seas Impex are booked as sales within Gujarat or outside Gujarat. LM is advised to include a table for product wise bifurcation of total sales (in percentage) made to the reseller 7 Seas Impex and to provide a negative confirmation that the reseller is not directly or indirectly related to the Issuer / promoter or member of promoter group / directors of the Issuer. LM is further advised to include the instances where the demand placed by 7 Seas Impex exceeded the production capacity of the Issuer along with the amounts involved and how the demands were met by the Issuer.
- 16.2. RF3 on Page no. 34 to 35 – LM is advised to disclose the reason for not mentioning the name of suppliers at serial no. 3 to 6, serial no. 8 and 10 in the 2nd table showing details of top 10 suppliers of the Issuer.
- 16.3. RF6 on Page no. 37 – LM is advised to renumber the RF6 as RF2 and move it after RF1.
- 16.4. RF6 (c) on Page no. 38 – LM is advised to make para (c) as a separate risk factor and to renumber it as risk factor no. 3.
- 16.5. RF21 on Page no. 43 – LM is advised to include the key assumptions, along with the relevant facts and figures and methods adopted by the Registered Valuer to derive the valuation for the acquisition of Falcon Yarns Private Limited. LM is advised to also include the comments of independent director on the valuation report obtained by the Registered Valuer. LM is further advised to bring this risk factor in the top 10 risk factors.
- 16.6. RF33 on Page no. 47 – LM is advised to disclose details of the non-compliances, including the nature of such non-compliances, the amounts involved, and the relevant year(s) of non-compliance and a confirmation from the Issuer in this regard that these non-compliances have been reported to the ROC.
- 16.7. RF35 on Page no. 49 – LM is advised to clearly mention that the loans taken by the Issuer from the related parties are 'on demand loans' and can be called at any time by these lenders.
- 16.8. RF40 on Page no. 50 – LM is advised to revise the language and to include the details of the properties acquired by the Issuer from the promoters and members forming part of the promoter group along with the amounts involved.
- 16.9. LM is advised to disclose details regarding issue / issues (issue wise details) of the specified securities by the Issuer within the last twelve months at a price lower than the issue price in terms of para 5(G)(3) of Schedule VI of the SEBI ICDR Regulations, 2018 and also to include this in the top 10 risk factors.
- 16.10. LM is advised to disclose the fact that Falcon Yarns Private Limited had undertaken a buyback along with the details such as size, date, number of shares, price per share etc. LM is further advised to disclose a risk factor in this regard elaborating the difference between the acquisition price per share of Falcon Yarns Private Limited by the Issuer and the price at which buyback carried out by along with the reasons for difference. LM is advised to make this risk as RF1 under the Chapter Risk factors.

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17. SUMMARY OF FINANCIAL INFORMATION

- 17.1. Page no. 70 - LM is advised to include the tables under 'Summary of Financial Information'.

18. CAPITAL STRUCTURE

- 18.1. Page no. 85 to 86 - LM is advised to mention the issue price per Equity Share with respect to the conversion of CCPS to Equity Shares in July 14, 2025 and September 22, 2025 in the table also along with the notes to the table.

19. OBJECTS OF THE ISSUE

- 19.1. Page No. 110, Para no. 3 - LM is advised to disclose that utilization of net proceeds towards other objects for any of the reasons mentioned at para no. 2, shall be made only after approval of the shareholders.
- 19.2. Page No. 106 to 107- LM is advised to clearly mention details regarding the validity / termination of the Shareholders' Agreement (Falcon SHA) executed between the Issuer, Falcon Yarns Private Limited and the sellers.
- 19.3. Page No. 107 to 110 - LM is advised to disclose the reasons for the increase in Share Capital of Falcon Yarns Private Limited during the Financial Year ending March 31, 2025.

Page No. 107 to 110 - LM is advised to disclose the reasons for the decrease in Reserve and Surplus of Falcon Yarns Private Limited during the Financial Year ending March 31, 2025 in comparison to previous two financial years in the Table.

20. BASIS OF OFFER PRICE

- 20.1. Page no. 117 - LM is advised to provide a comparison of the accounting ratios with Listed Industry Peers on standalone and consolidated basis in the 1st Table. LM is further advised to provide a separate list of Key Performance Indicators on consolidated basis in the 2nd Table.

21. INDUSTRY OVERVIEW

- 21.1. LM is advised to include industry report in the section of Material Contracts and Documents for Inspection and also provide a link in the Offer Document for online access of industry report.

22. OUR BUSINESS

- 22.1. Page no. 157- LM is advised to include bifurcation of sales made to the reseller and direct customers by the Issuer in the different states in the 2nd table.
- 22.2. Page no. 158- LM is advised to use simple and unambiguous language in the Offer Document and to disclose the method used to calculate the buffer stock every year as provided in last second paragraph.
- 22.3. Page no. 159 - LM is advised to quantify the cost savings achieved along with corresponding amounts and computation details for the same as provided in the second para.

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- 22.4. LM is advised not to use qualitative terms such as 'strong', 'significant', that are not supported by verifiable data in the Offer Document.
- 22.5. Page no. 161, point no. 4 - LM is advised to include details of investments made in renewable energy and cost savings achieved due to such investments.

23. HISTORY AND CERTAIN CORPORATE MATTERS

- 23.1. LM is advised to include a categorical statement that it has gone through Article of Association of the Issuer and agreements and confirm to SEBI that no special rights exist to the promoters/ Shareholders in the Article of Association or through agreements or any arrangements, at the time of listing.

24. OUR MANAGEMENT

- 24.1. Page no. 192 to 193 - LM is advised to ensure consistency in the manner the educational qualification and professional's credentials of the Directors.
- 24.2. Page no. 193 - LM is advised to insert designations beside the names disclosed in the first table.
- 24.3. Page no. 193 to 194 - LM is advised to include the details of the remuneration and employee benefits entitled to the directors and a confirmation that the same is in compliance with the provisions of the Companies Act, 2013.

25. OUR PROMOTER AND PROMOTER GROUP

- 25.1. Page no. 212 - LM is advised to include a complete diagram of promoter and Promoter Group under the section 'Promoter and Promoter Group'.

26. LEGAL AND OTHER INFORMATION

- 26.1. LM is advised to update the details of status of litigation with the latest/updated position of litigations against Promoter / Promoter Group entities / Company and the Companies promoted by the Issuer in the Offer Document.
- 26.2. LM is advised to ensure the disclosures of all actions taken by statutory and regulatory authorities.

27. GOVERNMENT AND OTHER APPROVALS

- 27.1. LM is advised to disclose impact of any pending approval from Government and other authorities on financials and operations of the Issuer. Quantify the impact of non-approval wherever possible.

28. OTHERS

- 28.1. LM is advised to include the audited financial statements of Falcon Yarns Private Limited for the last three financial years in the section Material Contracts and Documents for Inspection.
- 28.2. In respect of advertisement for announcement of Price Band, LM shall ensure the following is included/disclosed:
- Segment - clearly disclose whether the company will be listed on the Main Board or the SME Exchange.



(Such disclosure shall be made immediately below the name of the Issuer and shall be of next lower font size, used in the advertisement, after the name of the Company; and shall be of the same colour)

- ii. Issue size - disclose the issue size in value terms at both the upper and the lower end of the price band. Further, provide the bifurcation between the Fresh Issue and OFS portions at both the upper and the lower end.
- iii. Company size - disclose the size of the company at both the upper and the lower end of the price band.
(The disclosures under Sr. No. ii and iii above, shall be made in a table placed above the "Bid / Offer period" table, and shall use the same font size)
- iv. Price Band values - disclose the actual values of the upper and the lower ends of the price band at all relevant places in the advertisement.
- v. Format for billboard and banner - ensure that only the appropriate format of the price band advertisement is used for billboard and banner.
- vi. Recommendation of the Committee of Independent Directors that the price band is justified vis-à-vis the last round of fund raising giving quantitative factors / Key Performance Indicators (KPIs).
- vii. The portion pertaining to "Risks to Investors" shall constitute at least 33% of the price band advertisement space.
- viii. LM shall ensure disclosure in the Offer Document of the price at which specified security was acquired in the last 3 years, by each of the Promoters, Promoter Group, Selling Shareholders, Shareholders entitled with right to nominate directors or any other rights. Following details may be disclosed for such transactions in tabular format – name of acquirer, date of acquisition, number of shares acquired and acquisition price per share.
- ix. The risks to investors shall include weighted average cost of acquisition of all shares transacted in last 3 years and 1 year, from the date of RHP, in the following format:

Period	Weighted Average Cost of Acquisition (in Rs.)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in Rs.)
Last 1 year			
Last 3 years			

- x. The font size for price band and "Risk to investors" should be increased to match the font of BID / Offer Programme.
 - xi. Matters related to ASBA and UPI may be brought subsequent to Price Band, Risks to Investors, Bid / Offer Programme and other offer details, and can be of smaller font.
 - xii. The portion pertaining to "BRLMs" shall not constitute more than 10% of the price band advertisement space.
- 28.3. LM shall ensure that the details with respect to Fresh Issue and Offer for Sale be separately disclosed in the Price Band advertisement and details of selling shareholders be presented in a tabular format.

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- 28.4. LM shall ensure that the range of acquisition price (lowest price-highest price), as disclosed in the RHP and Price Band advertisement, should not be 'Nil' and be computed exclusive of bonus and gift.
- 28.5. LM is advised to disclose major risk factors concisely in the "Risk to investors" section of the Price Band Advertisement
- 28.6. LM shall ensure that the details of past issues handled by BRLMs, which closed below the offer price on the listing date, to be published in the below mentioned format:

BRLMs	Total Issues	Issues closed below IPO Price on listing date
BRLM 1/ BRLM 2/ BRLM 3		
Common issues of BRLMs		
Total		

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Annexure II

General Observations

1. LM is advised to ensure that prior to filing of RHP with Registrar of Companies, the Issuer has received crucial clearances / licenses / permissions / approvals from the required competent authority which are necessary for commencement of the activity for which the issue proceeds are proposed to be utilized.
2. LM is advised to ensure that the 'Observation Letter' issued by SEBI is included among the Material Contracts and Documents for Inspection.
3. LM is advised to ensure that cover page to be strictly in compliance with the ICDR Schedule VI- all extra texts may be avoided to ensure that the focus remains on the statutory texts mentioned in the Schedule.
4. LM is advised to ensure that prior to proceeding with the issue, "No Objection Certificates" are obtained from all the lenders with whom the Issuer has entered into an agreement and the terms of such agreement require an approval to be taken.
5. LM is advised to ensure that adequate disclosures are made to disclose any development which may have a material effect on the Issuer between the date of registering final prospectus or the red herring prospectus with the Registrar of Companies, and the date of allotment of specified securities, while ensuring compliance with Regulation 42 and Schedule IX of SEBI (ICDR) Regulations, 2018.
6. LM is advised to ensure that exact cross-referencing of page numbers is provided in the Offer Document instead of general cross-referencing.
7. LM is advised to refrain from using superlative adjectives. If needed, the same shall be quantified with proper references.
8. LM is advised that the "Industry Overview" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor have any underlying assumptions been omitted for investors to make an informed decision.
9. In terms of Regulation 7.(1)(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 31.(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Issuer and the LM are advised to ensure compliance with the requirement pertaining to shareholding of promoter(s) and promoter group to be held in dematerialised form.
10. LM is advised to include updated audited financials of the Issuer at the time of filing UDRHP / RHP / Prospectus.
11. LM is advised to ensure that SCORES authentication is taken by the Issuer prior to listing.
12. LM is advised to confirm: (i) all RPT are done at arm's length price and (ii) all RPT should be in compliance with the Companies Act, 2013, SEBI (LODR) Regulations, relevant Accounting Standards and other statutory compliances.



13. In pursuance of Sub-Regulation 9(a) of Regulation 25 of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied with and duly incorporated in the Offer Document, while also indicating the page number for the same.

14. ASBA:

14.1. LM is advised to ensure that sufficient number of Physical ASBA forms are printed and dispatched directly to all designated branches of SCSBs which are located in places of mandatory collection centers as specified in Schedule XII of SEBI (ICDR) Regulations, 2018, Syndicate Members and Registered Brokers of Stock Exchanges, the Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI, at least two days before the opening of the issue. This shall be in addition to ASBA forms which shall be sent to controlling branch of SCSBs for sending to designated branches other than those located in mandatory collection center.

14.2. LM is advised to ensure that the ASBA mode of payment is highlighted in bold in all the advertisement / communication informing about the issue. Further, LM is also advised to ensure that the following is suitably incorporated in all advertisements / communications regarding the issue issued by the Issuer:

a. The following may appear just below the price information of the issue as shown below:

“PRICE BAND: RS. xx TO RS. xx PER EQUITY SHARE OF FACE VALUE OF RS. xx EACH

THE FLOOR PRICE IS xx TIMES OF THE FACE VALUE AND THE CAP PRICE IS xx TIMES OF THE FACE VALUE

BID CAN BE MADE FOR A MINIMUM OF xx EQUITY SHARES AND IN MULTIPLES OF xx EQUITY SHARES THEREAFTER.

ASBA

(APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application !!!

Mandatory in public issue. No cheque will be accepted



now available in ASBA for retail individual investors.

ASBA is a better way of applying to issues by simply blocking the fund in the bank account.

For further details check section on ASBA below.”





- b. The following paragraph on ASBA may be inserted in the advertisement/Communications:

"ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors.

For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Issue Procedure - Issue Procedure of ASBA Bidders" beginning on page xxx of the Red Herring Prospectus. The process is also available on the website of AIBI and Exchanges in the General Information Document."

*ASBA bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in.**List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in**.*

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