



# KSHITIJ POLYLINE LIMITED

Corporate Identification Number: L25209MH2008PLC180484

Our Company was originally incorporated on March 26, 2008 as "as Kshitij Polyline Private Limited" vide Registration no. 180484 (CIN: U25209MH2008PTC180484) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Subsequently, our Company was converted into Public Limited Company and consequently name of company was changed from "Kshitij Polyline Private Limited" to "Kshitij Polyline Limited" vide resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 22, 2017 and a fresh certificate of incorporation dated January 19, 2018 issued by the Registrar of Companies, Mumbai. For details of changes in our Name and Registered Office of the Company and other details, kindly refer to the section titled "General Information" beginning on page no. 36 of this Letter of Offer.

Registered Office: 417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101.  
Website: www.kshitijpolyline.co.in; E-Mail: compliance@kshitijpolyline.co.in; Telephone No: +91 22 4223 4100  
Company Secretary and Compliance Officer: Ms. Nikita Mehta

**OUR PROMOTERS: MR. BHARAT HEMRAJ GALA, MR. HEMRAJ BHIMSHI GALA AND MRS. RITA BHARAT GALA**

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF KSHITIJ POLYLINE LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY**

## THE ISSUE

**RIGHT ISSUE OF UPTO 40521864 EQUITY SHARES OF FACE VALUE OF ₹ 2.00 EACH ("EQUITY SHARES" OR "RIGHTS EQUITY SHARES) OF KSHITIJ POLYLINE LIMITED ("KPL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 6.40 PER RIGHTS EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 4.40 PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 2,593.40 LAKHS ("THE ISSUE") ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 4 RIGHTS EQUITY SHARE FOR EVERY 5 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON TUESDAY, JUNE 18, 2024 (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 106 OF THIS LETTER OF OFFER.**

**THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 3.20 TIMES THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 106 OF THIS LETTER OF OFFER.**

## WILLFUL DEFAULTERS AND/OR FRAUDULENT BORROWERS

Neither our company, nor our Promoters, or Directors are or have been categorized as willful defaulters or fraudulent borrowers by bank or financial institutions (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

## GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to the section titled "Risk Factors" on page 22 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, and 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 makes this Letter of Offer as a whole or any 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 National Stock Exchange of India Limited ("NSE" or "Stock Exchange"). Our Company has received 'in-principle' approvals from NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated April 5, 2024. Our Company will also make an application to the NSE 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 NSE.

## REGISTRAR TO THE ISSUE

	<b>KFIN TECHNOLOGIES LIMITED</b> Selenium Tower-B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032. Tel: +91-40-6716 2222/+91 1800 309 4001; Fax No.: +91-40-6716 1563 Email: kpl.rights@kfintech.com Website: www.kfintech.com Investors Grievance E-mail: einward.ris@kfintech.com Contact Person: M Murali Krishna SEBI Registration Number: INR000000221 CIN: L72400TG2017PLC117649
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## ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
TUESDAY, JUNE 25, 2024	WEDNESDAY, JULY 3, 2024	TUESDAY, JULY 9, 2024

\*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(s) on or prior to the Issue Closing Date.

\*\*Our Board or a Rights Issue 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.

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## SECTION I – GENERAL

### DEFINITION AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications there to notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/chapters titled “*Industry Overview*”, “*Summary of Letter of Offer*”, “*Financial Information*”, “*Statement of Special Tax Benefits*”, “*Outstanding Litigation and Material Developments*” and “*Issue Related Information*” on pages 53, 18, 81, 50, 93, and 106 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/chapters.

#### GENERAL TERMS

Term	Description
“Kshitij Polyline Limited”, “our Company”, “the Company”, “the Issuer”	Kshitij Polyline Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.

#### COMPANY RELATED TERMS

Term	Description
“Annual Audited Financial Statements”	The audited financial statements of our Company prepared under Ind AS for Fiscal 2022, 2023 and 2024 prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
“Articles” / “Articles of Association” / “AoA”	Articles / Articles of Association of our Company, as amended from time to time.
“Audit Committee”	Audit Committee of our Board, as describe in “Our Management-Committee of our Board” on page No. 68.
“Auditor” / “Statutory Auditor”/ “Peer Review Auditor”	Statutory and peer review auditor of our Company, namely, M/s. VRCA & Associates, Chartered Accountants, Mumbai.
“Board”/ “Board of Directors”	Board of directors of our Company or a duly constituted committee thereof.
“Chairman”	Mr. Mahendra Kumar Jain, the Chairman of the Company.
“Chief Financial Officer / CFO”	Mr. Mahendra Kumar Jain, the Chief Financial Officer of our Company.
“Company Secretary and Compliance Officer”	Ms. Nikita Mehta, the Company Secretary and the Compliance Officer of our Company.
“Director(s)”	The director(s) on the Board of our Company, unless otherwise specified.
“Equity Shareholder”	A holder of Equity Shares of our company.
“Equity Shares”	Equity shares of our Company of face value of ₹ 2 each.
“Executive Directors”	Executive directors of our Company.

Term	Description
“Independent Director(s)”	The independent director(s) of our Company, in terms of Section 2 (47) and Section 149(6) of the Companies Act, 2013.
“Key Management Personnel” / “KMP”	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in this Letter of Offer.
“Memorandum of Association” / “MoA”	Memorandum of Association of our Company, as amended from time to time.
“Nomination and Remuneration Committee”	Nomination and remuneration committee of our Board, as described in “Our Management – Committees of our Board” on page 68.
“Non-executive Directors”	Non-executive Directors of our Company.
“Non-Executive and Independent Director”	Non-executive and independent directors of our Company, unless otherwise specified
“Promoters”	Mr. Bharat Hemraj Gala, Mr. Hemraj Bhimshi Gala and Mrs. Rita Bharat Gala are the Promoters of our Company. For further details, see “Our Promoters and Promoter Group” on page 77 of this Letter of Offer.
“Promoter Group”	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations
“Registered Office”	The registered office of our Company is located at Office no. 417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101
“Registrar of Companies”/ “ROC”	Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai-400002, Maharashtra
“Rights Issue Committee”	The committee of our Board constituted / designated for purposes of the Issue and incidental matters thereof.
“Shareholders / Equity Shareholders”	The Equity Shareholders of our Company, from time to time.

#### ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
Additional Right Equity Shares	The Rights Equity shares applied or allotted under the issue in addition to the Rights Entitlements.
Allot/Allotment/Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) 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.

Term	Description
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee (s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer, including an ASBA Investor.
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 Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing a SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renouncees) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being Axis Bank Limited.
Bankers to the Issue Agreement	Agreement dated May 27, 2024 entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in “ <i>Terms of the Issue</i> ” on page No. 106.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs, which coordinate Bids under the Issue with the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> .
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, occupation and bank account details, where applicable.
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;i">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;i</a>

Term	Description
	ntmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE)
Draft Letter of Offer / DLOF	This Draft Letter of Offer dated February 20, 2024 filed with the Stock Exchange and submitted with SEBI.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e. Tuesday, June 18, 2024. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) 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 is INE013801027
Issue / Rights Issue	Up to 40521864 Equity Shares of face value of ₹ 2 each for cash at a price of ₹ 6.40 (Including a premium of ₹ 4.40) per Rights Equity Share aggregating to ₹ 2,593.40 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 4 Rights Equity Shares for every 5 Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date.
Issue Closing Date	Tuesday, July 9, 2024
Issue Opening Date	Tuesday, June 25, 2024
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	₹ 6.40 per Rights Equity Share including Premium of ₹ 4.40 per Equity Share.
Issue Proceeds	Gross proceeds of the Issue.
Issue Size	Up to 40521864 Equity Shares of face value of ₹ 2 each for cash at a price of ₹ 6.40 (Including a premium of ₹ 4.40) per Rights Equity Share aggregating to ₹ 2,593.40 Lakhs.
Letter of Offer / LOF	This letter of offer dated June 18, 2024 filed with the Stock Exchange and submitted with SEBI.
Net Proceeds	Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see "Object of the Issue" on page 43 of this Letter of Offer.
Net Worth	Net worth as defined under Section 2(57) of the Companies act 2013
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees.
Non-Institutional Bidders or NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by

Term	Description
	transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Wednesday, July 3, 2024.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being Tuesday, June 18, 2024.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being, Axis Bank Limited.
“Registrar to the Issue”	Kfin Technologies Limited
Registrar Agreement	Agreement dated February 9, 2024 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the 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 Wednesday, July 3, 2024 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 Bidders(s)/Retail Individual Investor(s)/ RII(s)/RIB(s)	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations
Rights Entitlements	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being Tuesday, June 18, 2024, 4 Rights Equity Shares for every 5 Equity Shares held on the Record Date. 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.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements will also accessible on the website of our Company and Registrar.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.
Self-Certified Syndicate Banks” or “SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at

Term	Description
	<p><a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or</p> <p><a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time</p>
Stock Exchanges	Stock exchange where the Equity Shares are presently listed, being National Stock Exchange of India (NSE).
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter	A Company or person, as the case may be, categorized as a wilful defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.
Working Days	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### CONVENTIONAL AND GENERAL TERMS OR ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual general meeting
AIF	Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

Term	Description
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI

Term	Description
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of atleast 60% by NRI's including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
SCRA	Securities Contract (Regulation) Act, 1956 of 1933, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957 as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
TDS	Tax deducted at source

Term	Description
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America

#### INDUSTRY RELATED TERMS

Term	Description
CSO	Central Statistics Office
DIPP	Department of Industrial Policies and Promotion
EDP	Entrepreneurship Development Programme
EPA	Environmental Protection Agency
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HACCP	Hazard Analysis and Critical Control Points
IMF	International Monetary Fund
IVFA	India Value Fund Advisors
MEIS	Merchandise Exports from India Scheme
M-SIPS	Modified Special Incentive Package Scheme
MSME	Micro, Small & Medium Enterprises
MYEA	Mid-Year Economic Analysis
PMGKY	Pradhan Mantri Garib Kalyan Yojana
RBI	Reserve Bank of India
UDAY	Ujwal DISCOM Assurance Yojana Scheme
UNIDO	United Nations Industrial Development Organization
US/ U.S./ USA	United States of America
WPI	Wholesale Price Index
FMCG	Fast Moving Consumer Goods
PP Sheet	Polypropylene Sheet

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### 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”, “GOI”, 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 81. Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GOI 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 Financial Statements of our Company for the Financial Years ended March 2022, 2023 and 2024 are 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 81.

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 or in whole numbers. 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.

## Exchange Rates

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

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

Currency	Exchange rate as on		
	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.3739	82.2169	75.8071
1 Euro	90.2178	89.6076	89.6076

(Source: RBI reference rate <https://www.fbil.org.in/#/home>)

## 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, or any of 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 22 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 source.

## 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:

- performance of the industries in which our clients operate;
- performance of our key clients and our relationship with our intermediaries;
- adverse effect of competition on our market share and profits;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
  - manage our growth effectively;
  - manage our credit risk;
  - manage our quality of services;
- hire and retain senior management personnel and other skilled manpower;
- manage cost of compliance with labor laws or other regulatory developments;
- manage our operating costs;
- manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
- successfully implement our business strategies and expansion plans;
- maintain effective internal controls;
- adequate and timely supply of assets necessary for our operations such as vehicles and equipment;
- state of road, air and other transportation infrastructure in India;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- Economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 22, 59 and 85 respectively, of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect 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 materialize, 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, 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 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 Exchanges.

## NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form 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 and will dispatch through email and courier this Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering 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 this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer 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 this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter 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 and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter 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 OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("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 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 the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. 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 within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf 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 our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter 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, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; or (iii) 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 or Rights Entitlement in respect of any such Application Form.

The Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "US SEC"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer.

Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is 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 / Letter of Offer.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under the applicable laws or regulations.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## SECTION II - SUMMARY OF LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Business Overview”, “Industry Overview”, “Outstanding Litigation and Material Developments” and “Terms of the Issue” on pages 22, 34, 40, 43, 59, 53, 93 and 106 respectively.

### SUMMARY OF INDUSTRY

The world economy has experienced a contraction in GDP growth during the pandemic i.e. in CY 20. However, the governments and central banks globally have taken decisive actions by implementing fiscal and monetary stimulus measures to bolster the process of economic recovery. Further, the gradual recovery of global supply chains and increased international trade have contributed to the positive growth trajectory. These well-calibrated initiatives and the recovery to global supply-chain have been directed towards reinstating consumer and business confidence, stimulating demand, and achieving stability in financial markets. As a result of these concerted efforts, multiple countries and regions have demonstrated encouraging signs of economic revival and notable growth.

The economies of India and China witnessed remarkable growth in nominal GDP during the calendar year 2021 and 2022, following the COVID-19 pandemic. India demonstrated a substantial year-on-year nominal GDP growth rate of 21.8% in CY 21 followed by a growth of 11.7% in CY 22. Meanwhile China experienced a notable growth rate of 20.4% in CY 21 and 6.2% growth in CY 22. On the other hand, major economies like the United States and Germany reported GDP growth rates of 10.4% and 10.3% respectively during CY 21 followed by 9% and 4.7% GDP growths in CY 22. Japan, however, experienced a negative growth in GDP (-2.0%) during CY 21. Nevertheless, in CY 22, Japan’s GDP rebounded with a growth rate of 2%.

#### India Stationery Market Shipment Analysis

India Stationery Market registered a growth of 75.22% in value shipments in 2022 as compared to 2021 and a decrease of -0.21% CAGR in 2022 over a period of 2017. In Stationery Market India is becoming less competitive as HHI index in 2022 was 5288 while in 2017 it was 2549. Herfindahl Index measures the competitiveness of exporting countries. The range lies from 0 to 10000, where a lower index number represents a larger number of players or exporting countries in the market while a large index number means less numbers of players or countries exporting in the market. India has reportedly relied more on domestic production to meet its growing demand in Stationery Market.

India is shifting towards local production to meet its demand as we see the trend is shifting towards reducing imports. The import factor of Stationery Market in 2022 was 0.04 while in 2017 it was 0.04. China, USA, Germany, Japan and Rep. of Korea were among the top players of the market in 2022, where China acquired the largest market share of 72.27% with a shipment value of 4.28 million USD in 2022 China also offered the product below the average market price thus having a competitive advantage over others. In 2017 China had the largest market share of 45.22% with the shipment value of 1.55 million USD. The country was offering its product with an average price which is lower than the average market price offered in the country. As China price is lower than the average price, it provided a significant edge among other competitor in 2017.

#### India Stationery Market Synopsis

Before the COVID-19 outbreak, the growth of India Stationery Market was primarily driven by an increasing number of students enrolling in schools, as well as the rise in offices and banks across the country, resulting in a higher demand for stationary products. However, the outbreak of the COVID-19 pandemic in 2020 had a negative impact on market revenues. The closure of educational institutions meant that only 36% of enrolled children received learning materials or activities from their teachers, leading to reduced demand for stationery products in the education sector. Furthermore, there was a significant decrease in the supply of office space across seven major cities, with a decline of 30% from the previous year, going from 51.62 million sq. Ft to 36.34 million sq. Ft in 2020. This decline in office space availability further contributed to the decrease in demand for office-related stationery from the corporate sector.

The India stationery market size is projected to grow at a CAGR of 8.2% during 2023–2029. India stationery market is expected to further grow in the upcoming years as the country aims to ensure that all students should complete primary and lower secondary level education by 2030, and it hopes to witness an increase in enrolment to the upper secondary level from 55.8% in 2015 to 88% in 2030. Additionally, with the projected growth of the Indian education sector to reach \$225 billion by FY25, foreign schools are targeting the rising demand for high-quality education in the country's vast market. For instance, the Nordic chain of schools plans to open 25 schools by March 2024, and Singapore's global school foundation

has announced an investment of approximately \$550 million in India's school education sector by 2026 and it will help in the significant growth of the India Stationery Industry.

For further details, please refer to the chapter titled “Industry Overview” on page no. 53 of this Letter of Offer.

## SUMMARY OF BUSINESS

Our Company was incorporated by our Promoters- Mr. Bharat Gala & his family members with an aim of running Manufacturing, marketing, sourcing of Plastic Sheet, lamination sheet, folders, I card and files having wide application in printing and stationery. As a part of business growth, the Company registered with the Registrar of Companies, Mumbai on 26th March, 2008 as Kshitij Polyline Private Limited. The company is promoted by Mr. Bharat Gala and His family having more than 25 years of experience in Plastic Sheet, lamination sheet, folders, I card and files.

Our Company & its executives have developed the skill and expertise in designing and innovation in office stationery, calendar, dairy and student study materials of different variety colours, design and application. We have also developed the in house technical & Design team to provide stationery solution and implementation for calendar, diary, books as replacement of traditional material with new and innovative PP material. Our aim to develop our Brand for quality products for Office stationery, Publicity material, ID card & smart card, File & folders & wiro books and developed the technique to make all products as - Make in India and provide competition to China and other Markets.

Our company has developed the regular whole sellers and distributors for supply of laminated sheet, PP sheet, office stationery and allied products. KPL has established own distribution and marketing network in Pan India Basis. With its own network, company has developed the reputation and goodwill for timely supply of material to their reputed clients.

Currently, we have a head office and a sales office located in Mumbai, Maharashtra. The company establishes a long-term relationship with their clients by providing good quality product, which will surely go a long way and benefit the company. The company is backed by a team of highly creative and experienced professionals who have an affinity for creating innovative designs. The company's team has been a major strength as it understands the varied needs of the clients and works accordingly. From processing to finish, the company tries its best to ensure the quality of every single product delivered by the company.

For further details, please refer to the chapter titled “*Business Overview*” at page 59 of this Letter of Offer.

## INTENTION AND EXTENT OF PARTICIPATION BY PROMOTER/PROMOTER GROUP

The Promoters of our Company are Mr. Bharat Hemraj Gala, Mr. Hemraj Bhimshi Gala and Mrs. Rita Bharat Gala.

Our Promoter and members of the Promoter Group of our Company have, vide their letters dated January 31, 2024 (“Subscription Letters”) indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Further, the promoters have confirmed that do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

## OBJECTS 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:

Particulars	(₹ In Lakhs)		
	Amount (₹ in Lakhs)	% of gross proceeds	% of Net proceeds
To repay or prepay, in full or in part, of certain borrowings availed by our Company (including interest).	1,320.00	50.90%	51.80%
Capital expenditure for purchase of Plant and Machineries	649.32	25.04%	25.48%
To meet General corporate purposes#	579.08	22.33%	22.72%
<b>Total</b>	<b>2,548.40</b>	<b>98.26%</b>	<b>100.00%</b>

# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Offer proceeds.

For further details, please see chapter titled “Objects of the Issue” beginning on page 43 of this Letter of Offer.

## SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the Financial Information for the Financial Years ended on March 31, 2024, 2023 and 2022.

(₹ In Lakhs)

Sr. No	Particulars	March 31, 2024	March 31, 2023	March 31, 2022
1.	Authorized Share Capital	2,000.00	2,000.00	1,050.00
2.	Paid-up Capital	1,013.05	1,013.05	1,013.05
3.	Net Worth attributable to Equity Shareholders	1,811.94	1,867.45	1,841.45
4.	Total Income	3,998.32	3,408.20	3,907.48
5.	Profit after tax	(55.51)	38.53	41.56
6.	Earnings per Share (basic & diluted) (in ₹)	(0.11)	0.08	0.41
7.	Net Asset Value per Equity Share (in ₹)	3.58	3.69	18.18
8.	Total Borrowings	2,693.80	2,125.41	1,726.65

## SUMMARY OF OUTSTANDING LITIGATION

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies is provided below:

Nature of Cases	Number of Cases	Amount Involved (₹ in Lakh)
<b>Issuer Company – Kshitij Polyline Limited</b>		
Direct Tax		
E-Proceedings	1	0.31
Outstanding Demand	1	0.92
TDS	9	1.96
Criminal Proceedings*	5	11.95
Litigation based on Materiality Policy of our Company	-	-
<b>Directors other than Promoter</b>		
Direct Tax		
E-Proceedings	-	-
Outstanding Demand	-	-
Criminal Proceedings	-	-
Litigation based on Materiality Policy of our Company	-	-
<b>Promoter</b>		
Direct Tax		
E-Proceedings	-	-
Outstanding Demand	-	-
Criminal Proceedings	-	-
Litigation based on Materiality Policy of our Company	-	-
<b>Group Companies</b>		
Direct Tax		
E-Proceedings	-	-
Outstanding Demand	-	-
Criminal Proceedings	-	-
Litigation based on Materiality Policy of our Company	-	-

\* Excluding Interest on amount

## RISK FACTORS

Please see the chapter titled “Risk Factors” beginning on page 22 of this Letter of Offer.

## SUMMARY OF CONTINGENT LIABILITIES

For details, see “Financial Information” on page 81 of this Letter of Offer.



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## **SUMMARY OF RELATED PARTY TRANSACTIONS**

For details of the related party transactions and as reported in the Restated Financial Statements, see “*Financial Information*” on page 81 of this Letter of Offer.

## **ISSUE OF EQUITY SHARES MADE IN LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH.**

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.**

Except, our Company had split its Equity Shares of Face value from ₹10.00/- each one to Face value of ₹ 2.00/- each one on record date being October 27, 2022, there were no split or consolidation of the equity shares of the Company.

### SECTION III - RISK FACTOR

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including in “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, and “Financial Statements” before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.*

*This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us” “our” refers to our Company.*

#### **INTERNAL RISK FACTORS:**

#### **BUSINESS RELATED RISK**

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

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

- 2. Our Registered Office from where we operate is not owned by us. If we are required to vacate the same, due to any reason whatsoever, it may adversely affect our business operations.***

Our Registered office from where we operate is not owned by our Company. Our Company has been occupying the Registered office on leave and license basis from Ms. Manisha Chordia at monthly rent of ₹ 0.80 Lakhs. Any adverse impact on the title /ownership rights of the owner, from whose premises we operate our registered office or breach of the terms / non-renewal of the leave and license agreement/discontinuance of the leave and license agreement, may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability.

- 3. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as long-term borrowing were ₹ 275.52 Lakhs and short-term borrowing were ₹ 2,418.27 Lakhs based on audited financial statements as on March 31, 2024. In the event, we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations.

- 4. Our product is subject to frequently changing designs, patterns, customer requirements and tastes, our inability to meet such needs or preferences may affect our business.***

Designs and patterns of stationery items change frequently, based on the changing customer requirements and tastes. Our products thus become vulnerable to changing market demand. Inability in successfully predicting changing customer trends could lead to obsolescence in inventory of our stationery items which may turn to be dead stock. Our inability on our part to understand the prevailing trends or our inability to forecast changes as per latest trends or understand the needs of our customers in this industry well in time may affect our growth prospects. Our management expertise lies in designing and styling of our products after identifying latest trends and customer requirements derived through valuable customer feedback and interaction. It is our endeavour to keep ourselves abreast with the latest trends in home decor and to introduce the designs accordingly to broad base our product portfolio and augment our business.

**5. *Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.***

Any failure to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced new products to cater to the growing demand of our customers and also endeavour regularly to update our products, our failure to anticipate or to respond adequately to changing market demands and/or consumer requirements could adversely affect our business and financial results.

**6. *Our business is a high volume-low margin business.***

Ours is a high-volume low margin business. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products, we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to procurement of raw material/ traded goods, timely sales / order execution and continuous cost control of non-core activities.

**7. *Our Company has manufacturing facilities located at Amlı Village, Silvassa, Dadra and Nagar Havelı. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in this facility may in turn adversely affect our business, financial condition and results of operations.***

Our Company has Present manufacturing facility at Amlı Village, Silvassa, Dadra and Nagar Havelı. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns at any or all of these facilities due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

**8. *We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.***

The industry, in which we are operating, is highly and increasingly competitive due to presence of many small-time players in unorganized sector. Our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**9. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that our industry faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Our Company has taken efforts to maintain a lower attrition among the labourers by facilitating them with various in-house facilities and benefits to our employees. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**10. *Government may impose certain restriction on use of Plastic which may have direct impact on the business of the company.***

Our company is engaged in the business as manufacturing and marketing of Plastic products such as Laminated sheet, file, folders and card holders. Considering the recent development and notification given by central and state government regarding the Ban on uses of plastic bag, straw and various products to save the environments. Presently our products are not covered and in list of Ban plastic products. However, we do not foresee in future our products may ban to use and manufacture. This may have direct impact on our business and profitability. However, our management has developed the various products such as wiro, printed sheet and stationery products as part of business plan.

**11. *Our operations may be adversely affected in case of industrial accidents at any of our production facilities.***

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, cranes, heating processes of the furnace etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Though our plants and machinery and personnel are covered under insurance, occurrence of accidents could hamper our production and consequently affect our profitability.

**12. *The under-utilization of our manufacturing facilities may have a material effect on our results of operations and financial condition.***

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- Severe weather condition; and
- Interruption of our information technology systems that facilitate the management of our manufacturing facilities.

Although our production facilities have not experienced any material disruption in the past, there can be no assurance that there will not be any material disruption to our operations in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, results of operations and financial condition could be materially affected.

**13. *Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an

adverse effect on our business. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**14. *We are dependent on various kinds of Supplier for the supply of raw materials, services and finished goods.***

Our business is significantly affected by the availability, cost and quality of the raw materials and bought out items, which we need to construct, develop and provide for our projects, products and services. The prices and supply of raw materials and bought out items depend on factors not under our control, including domestic and international general economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import duties.

Although we may enter into back-to-back supplier contracts or provide for price contingencies in our contracts to limit our exposure, if, for any reason, our primary suppliers of raw materials and bought out items should curtail or discontinue their delivery of such materials to us in the quantities we need, provide us with raw materials and bought out items that do not meet our specifications, or at prices that are not competitive or not expected by us, our ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted and our results of operations and business could suffer.

Further, we depend on few suppliers who cater to a significant part of our business needs. If any of our key suppliers for a particular project is unable to continue providing the raw materials and bought out items we need, at prices and on terms and conditions we consider acceptable, we will be required to obtain these items from other suppliers and our results of operations and business could suffer as a result.

**15. *Our Company does not have any long-term contracts with suppliers, which may adversely affect our results of operations.***

We are, to a major extent, dependent on external suppliers for our raw materials and fuel requirements and we do not have any long-term supply agreements or commitments in relation to the same or for any other raw materials used in our manufacturing process. There can be no assurance that there will not be a significant disruption in the supply of raw materials and fuel from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices. Consequently, we are also exposed to price fluctuations in raw materials, and these fluctuations may adversely affect our ability to obtain orders and/or to execute them in a timely manner, which would have a material adverse effect on our business, results of operations and financial condition.

In case of non-availability of raw materials on favourable terms, we may have to procure the same at the terms and conditions prevalent at that point. This may result in reducing our revenues by a considerable amount due to shortage of raw material or due to inability to procure the same. Further, unfavourable terms of raw materials may also force us to reduce the scale of our operations resulting in a down-sizing of our overall business. We may have to put on hold any expansion plans and our future growth will be severely stunted. Any delay, interruption or increased cost in the supply arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

**16. *Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the

services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

**17. Our business depends on the availability of skilled and unskilled and our ability to attract and retain them.**

Our business is substantially dependent on the availability of skilled and unskilled workers. Demand for these workers in our industry is intense and our ability to retain them may affect the operations of our company. We cannot assure you that we will be able to retain any or all. The failure of any succession plans to replace such workers could have an adverse effect on our business and the results of our operations.

**18. We have not made any alternate arrangements for meeting our requirements for the Objects of the issue. Further we have not identified any alternate source of financing the “Objects of the Issue”. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, we have not made any alternate arrangements for meeting our requirements for the objects of the issue. We meet our requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page no. 43 of this Letter of Offer.

**19. Insurance coverage obtained by us may not adequately protect us against unforeseen losses.**

We have maintained insurance coverage of our assets and accident policies. We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

**20. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years / period and which could affect our business and growth:

(₹ in Lakh)

Particulars	For the year ended on March 31,		
	2023	2023	2022
Net cash from (used in) Operating activities	(498.95)	(126.88)	388.96
Net cash from (used in) Investing activities	(212.03)	(450.67)	(255.00)
Net cash from (used in) Financing activities	396.23	875.86	(191.12)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

However, For further details please refer to the section titled “Financial Statements” and chapter titled “Management's Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 81 and page no. 85 respectively, of this Letter of Offer.

**21. We require certain statutory and regulatory approvals, registrations and licenses for our business & proposed premises and our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.**

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew

or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Failure to obtain and renew such registrations and approvals within statutory time frame attracts penal provisions. Further, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations and may have a material adverse effect on our revenues, profits and operations. For details please refer to chapter titled “Government Approvals” beginning on page no. 98 of this Letter of Offer.

**22. *Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.***

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations, including but not limited to:

- a) Environment (Protection) Act, 1986
- b) Air (Prevention and Control of Pollution) Act, 1981
- c) Other regulations promulgated by the Ministry of Environment and Forests and
- d) the Pollution Control Boards of the state of Gujarat

The above Regulation govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of any new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company may need to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

**23. *Any loss of or breakdown of operations at any of our operational facilities may have a material adverse effect on our business, financial condition and results of operations.***

Our operational facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results.

**24. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**25. *Changes in technology may impact our business by making our products less competitive or obsolete or require us to incur additional capital expenditures.***

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology may make newer products more competitive than ours or may require us to incur additional capital expenditures to upgrade our technology, innovations, research and development facilities in order to provide newer products. If we are unable to adapt our technology in a timely manner to changing market conditions, client requirements or technological changes, our business, financial performance and the results of operations could be affected.

**26. *Our actual results could differ from the estimates and projections used to prepare our financial statements.***

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

**27. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page no. 80 of this Letter of Offer.

**28. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

A summary of the pending civil and other proceedings involving our Company, Promoters and Directors are provided below:

Nature of Cases	Number of Cases	Amount Involved (₹ in Lakh)
<b>Issuer Company – Kshitij Polyline Limited</b>		
Direct Tax		
E-Proceedings	1	0.31
Outstanding Demand	1	0.92
TDS	9	1.96
Criminal Proceedings*	5	11.95
Litigation based on Materiality Policy of our Company	-	-
<b>Directors other than Promoter</b>		
Direct Tax		
E-Proceedings	-	-
Outstanding Demand	-	-
Criminal Proceedings	-	-
Litigation based on Materiality Policy of our Company	-	-
<b>Promoter</b>		
Direct Tax		
E-Proceedings	-	-
Outstanding Demand	-	-
Criminal Proceedings	-	-
Litigation based on Materiality Policy of our Company	-	-
<b>Group Companies</b>		
Direct Tax		
E-Proceedings	-	-
Outstanding Demand	-	-
Criminal Proceedings	-	-
Litigation based on Materiality Policy of our Company	-	-

\* Excluding Interest on amount

For further details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page 93 of this Letter of Offer.

- 29. We are a listed company and are required to comply with rules and regulations imposed by the Stock Exchanges and SEBI with respect to continuous listing and the Companies Act. Any failure to comply with such rules and regulations or any wrong disclosure made to the Stock Exchange or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.**

As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. There have been instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner, the details of the same have been provided below:

S. No.	Non-Compliance	Fine/penalty levied (in ₹)	Name of Stock Exchange	Date of payment of fine	Status of Compliance as on date
1.	Delay in submission of Financial Result for quarter ended on September 30, 2023	1,00,000/-	NSE	29/12/2023	Complied
2.	Regulation 17 of SEBI (LODR) Regulations, 2015 for period 30-Sep-2022	3,00,900/-	NSE	05/06/2023	Complied
3.	Regulation 17 of SEBI (LODR) Regulations, 2015 for period 31-Dec-2022	1,82,900/-	NSE	05/06/2023	Complied
4.	Regulation 17 of SEBI (LODR) Regulations, 2015 for period 31-Mar-2023	5,31,000/-	NSE	05/06/2023	Complied
5.	Regulation 17 of SEBI (LODR) Regulations, 2015 for period 30-Jun-2023	3,59,900/-	NSE	07/09/2023	Complied

Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures / delayed / erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

Moreover, though at present, we are in compliance with rules and regulations imposed by the NSE and SEBI with respect to continuous listing, any failure to comply with such rules and regulations could result in penalties being imposed on us, which may adversely affect our business and operations.

- 30. As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES.**

As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES. But there is no assurance that in future the Company will be able to resolve each and every investor complaint received on SCORES. For detailed information of the no. of Investor Complaints received and resolved by the Company, kindly refer to page 105 of this letter of offer.

- 31. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.**

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹ 10,000 Lacs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform

about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**32. *We may not be successful in implementing our business and growth strategies.***

The success of our business depends substantially on our ability to implement our business and growth strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Failure to implement our business and growth strategies would have a material adverse effect on our business and results of operations.

**33. *Delay in raising funds from the Right issue could adversely impact the implementation schedule.***

The proposed expansion, as detailed in the section titled “Objects of the Issue” is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**34. *The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue.***

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 43 of this Letter of Offer is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. We hereby confirm and undertake that the deployment of funds will be done in compliance with all applicable laws.

**35. *Our future fund requirements, in the form of further issue of capital or securities may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

## ISSUE RELATED RISK

**36. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor’s shareholding.***

The Rights Entitlements that are not exercised prior to the end of the 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 pursuant to increase in paid up share capital. 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 Rights Issue. Renounees 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 Renounees 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 Renounee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

**37. *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.

**38. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which 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 Exchanges 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 Exchanges. 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 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 that point of time.

**39. *The Issue Price of our Right Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.***

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

#### **EXTERNAL RISK FACTORS:**

**40. *The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020.

The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. As cases of COVID-19 have continued to be identified in additional countries, many jurisdictions, including the governments of India, have reacted by instituting restrictive measures including invoking lock downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing “shelter-in-place” rules and “stay-at-home” orders, and enforcing remote working regulations.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Further, there can be no assurance that further restrictions will not be introduced. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the production and supply of products to our customers in a timely manner. If any of our suppliers are affected by COVID-19 to the extent our supply chain is disrupted, this may affect our ability to meet the demand of our customers.

The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the disruptions or restrictions on our employees' and suppliers' ability to work and travel; volatility in foreign exchange rates; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations.

**41. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**42. *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.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**43. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the Emerge Platform of National Stock Exchange of India Limited could adversely affect the trading price of the Equity Shares.

**44. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism.

Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**45. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**46. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**47. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**48. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunamis, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**49. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade the global equity markets as well generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares

## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on January 31, 2024 pursuant to Section 62(1)(a) of the Companies Act. Further, our Board has, vide its resolution dated June 13, 2024, decided the ratio, issue price, issue size etc., which are detailed below.

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 106 of this Letter of Offer.

Particulars	Details of Equity Shares
<b>Equity Shares proposed to be issued</b>	Up to 40521864 Equity Shares
<b>Rights Entitlement</b>	4 Equity Shares for every 5 fully paid-up Equity Shares held on the Record Date being Tuesday, June 18, 2024.
<b>Fractional Entitlement</b>	<p>The Rights Equity Shares are being offered on a rights basis to existing Eligible Public Equity Shareholders in the ratio of 4 Rights Equity Shares for every 5 fully paid-up Equity Shares held as on the Record Date. As per ASBA Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 5 Equity Shares or is not in the multiple of 5 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements.</p> <p>However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p>
<b>Record date</b>	Tuesday, June 18, 2024
<b>Face Value per Equity Shares</b>	₹ 2.00 each
<b>Issue Price per Rights Equity Share</b>	₹ 6.40 per Rights Equity Share
<b>Issue Size</b>	Up to 40521864 Equity Shares of face value of ₹ 2 each for cash at a price of ₹ 6.40 (Including a premium of ₹ 4.40) per Rights Equity Share aggregating to ₹ 2,593.40 Lakhs.
<b>Voting Rights and Dividend</b>	The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company.
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	5,06,52,330 Equity Shares
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	Up to 91174194 Equity Shares
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	Up to 91174194 Equity Shares
<b>Scrip Details</b>	<b>ISIN:</b> INE013801027 <b>NSE:</b> KSHITIJPOL <b>ISIN for Rights Entitlement:</b> INE013820019
<b>Use of Issue Proceeds</b>	For details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 43 of this Letter of Offer.
<b>Terms of the Issue</b>	For details, please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 106 of this Letter of Offer.
<b>Terms of Payment</b>	The full amount of the Issue Price is payable on Application

## 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	Tuesday, June 25, 2024
Last Date for On Market Renunciation of Rights*	Wednesday, July 3, 2024
Issue Closing Date**	Tuesday, July 9, 2024

*\*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(s) on or prior to the Issue Closing Date.*

*\*\*Our Board or a Rights Issue 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.*

## GENERAL INFORMATION

Our Company was originally incorporated on March 26, 2008 as “as Kshitij Polyline Private Limited” vide Registration no. 180484 (CIN: U25209MH2008PTC180484) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Subsequently, our Company was converted into Public Limited Company and consequently name of company was changed from “Kshitij Polyline Private Limited” to “Kshitij Polyline Limited” vide resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 22, 2017 and a fresh certificate of incorporation dated January 19, 2018 issued by the Registrar of Companies, Mumbai. The CIN of the Company is L25209MH2008PLC180484.

### REGISTERED OFFICE OF OUR COMPANY

#### KSHITIJ POLYLINE LIMITED

417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101

**Tel:** +91 22 4223 4100

**Email:** compliance@kshitijpolyline.co.in

**Website:** www.kshitijpolyline.co.in

**Corporate Identification Number:** L25209MH2008PLC180484

### REGISTRAR OF COMPANIES

#### REGISTRAR OF COMPANIES, MUMBAI

100, Everest, Marine Drive, Mumbai-400002, Maharashtra.

**Telephone Number-** 022-22812627/22020295/22846954

**Email Id-** roc.mumbai@mca.gov.in

### DETAILS OF CHANGE IN REGISTERED OFFICE

The Registered Office of our company was originally situated at 6/135, Nityanand Nagar No 4, Swami Nityanand Road, Andheri East, Mumbai- 400069, Maharashtra, India. Thereafter, the registered office of our company was changed to the following address:

Date of Change	New Address
March 15, 2012	Unit No 5/B, Ground Flr., Sona Udyog, Parsi Panchayat Road, Andheri East, Mumbai- 400069, Maharashtra, India.
December 8, 2017	8, Sona Udyog, Parsi Panchayat Road, Andheri East, Mumbai- 400069, Maharashtra, India.
February 14, 2024	417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101

### BOARD OF DIRECTORS OF OUR COMPANY

Set forth below are the details of our Board of Directors as on the date of this Letter of Offer:

NAME	AGE	DIN	DESINGAITON	ADDRESS
Mrs. Manisha Chordia	39 years	06530154	Non-Executive Director	C-601, Kanakia Samarpan W.E.H Borivali (East), Mumbai, Maharashtra 400066, India
Mr. Mahendra Kumar Jain	66 years	09765526	Chairperson & Executive Director	Ashirwad, 28t, Ram Krishna Samadhi Road Kankurgachi Kolkata, West Bengal – 700054, India
Ms. Vineeta Jain	31 Years	10481057	Whole-time director	E-201, Rakhee Vasant Utsav, C.H.S. Thakur Village, Near Thak, Ur College, Kandivali East, Mumbai, Maharashtra - 400101
Mr. Rushiraj Zaverbhai Patel	34 years	08017580	Independent Director	37, Patel Society, Near- Lakhnbharati School, Sardarnagar, Ahmedabad-382475, Gujarat
Mr. Mayur Jitendra Thakar	49 years	08156395	Independent Director	A/G4 Soham Tower,90 Feet Road, Near National Dairy, Bhayander West, Thane Maharashtra – 401101, India



NAME	AGE	DIN	DESINGAITON	ADDRESS
Mr. Ruhini Kumar Chakraborty	67 years	08124270	Independent Director	9/2A, Feeder Road Belgharia North 24 Paraganas, Kolkata, West Bengal 700056, India

For detailed profile of our directors, please refer to the chapter titled “Our Management” on page 68 of this Letter of Offer.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Nikita Mehta, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

#### KSHITIJ POLYLINE LIMITED

417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101

**Email id:** compliance@kshitijpolyline.co.in

**Tel:** +91 22 4223 4100

#### REGISTRAR TO THE ISSUE

#### KFIN TECHNOLOGIES LIMITED

Selenium Tower-B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032.

**Tel:** +91-40-6716-2222/+91 1800 309 4001;

**Fax No.:** +91-40-6716-1563

**Email:** kpl.rights@kfintech.com

**Website:** www.kfintech.com

**Investors Grievance E-mail:** einward.ris@kfintech.com

**Contact Person:** M Murali Krishna

**SEBI Registration Number:** INR000000221

**CIN:** L72400TG2017PLC117649

#### ADVISOR TO THE ISSUE

#### ALAP & CO. LLP

**Address:** 416, 4th Floor, Shreenathji Staff Co. Op. Soc. Ltd, Pushpam Complex, Opp. Seema Hall, 100 feet Ring Road, Satellite Jodhpur Char Rasta, Ahmedabad, Ahmadabad City, Gujarat, India, 380015

**Tel:** +91 79 3578 9144;

**E-mail ID:** csanandlavingia@gmail.com

**Contact Person:** Mr. Anand Lavingia

#### STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY

#### M/S VRCA & ASSOCIATES

**Address:** 601, Centre point, RC Dutt Road, Alkapuri, Vadodara - 390007

**Mobile No.:** - +91 7383796096

**Email:** kabrahmbhatt@gmail.com

**Contact Person:** CA Krunal Brahmbhatt

**Firm Registration No.:** 104727W

**Peer Review Certificate No.:** 012805

#### BANKERS TO THE ISSUE/ REFUND BANK

**Name:** Axis Bank Limited

**Address:** Axis House, 6<sup>th</sup> Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025

**Tel:** 022-24253672

**Email:** vishal.lade@axisbank.com

**Website:** www.axisbank.com

**Contact Person:** Mr. Vishal M. Lade

#### Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

### **Inter-se Allocation of Responsibilities**

The Company is not required to appoint any Lead Manager. Hence a statement of inter se allocation of responsibilities is not required. However, all the responsibilities related to this issue is of the Company.

### **Investor grievances**

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

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Debenture Trustees**

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

### **Monitoring Agency**

As the net proceeds of the Issue will be less than ₹ 10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Filing**

The size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, this Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

### **Underwriting Agreement**

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

### **Changes in Auditors during the last three years**

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Letter of Offer.

### **Minimum Subscription**

In accordance with Regulation 86 of the SEBI ICDR Regulations, for this Issue the minimum subscription which is required to be achieved is of at least 90% of the Issue. Our Company does not fall under the exemption to Regulation 86(1) which has been inserted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020.

In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive the minimum subscription of 90% of the Issue Size, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is any delay in the refund of the subscription amount beyond such period as prescribed by applicable laws, our Company and Directors who are “officers in defaults” shall pay interest for the delayed period, at such rates as prescribed under the applicable laws.

## EXPERTS

Except for the reports of the Auditor of our Company on the audited Financial Information and Statement of Tax Benefits, included in the Letter of Offer, our Company has not obtained any expert opinions.

## ISSUE SCHEDULE:

Event	Indicative Date
Issue Opening Date	Tuesday, June 25, 2024
Last Date for On Market Renunciation of Rights	Wednesday, July 3, 2024
Issue Closing Date*	Tuesday, July 9, 2024
Finalizing the basis of allotment with the Designated Stock Exchange (on or about)	Monday, July 15, 2024
Date of Allotment (on or about)	Tuesday, July 16, 2024
Date of credit (on or about)	Thursday, July 18, 2024
Date of listing (on or about)	Monday, July 22, 2024

\*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 renounces on or prior to the Issue Closing Date.

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 the Issue will not be kept open in excess of 30 days from the Issue Opening 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., Friday, July 5, 2024 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., Monday, July 8, 2024.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see “Terms of the Issue - Process of making an Application in the Issue” beginning on page 106 of this Letter of Offer.

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 at <https://rights.kfintech.com> after keying in their respective details along with other security control measures implemented thereat. For further details, see “Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” beginning on page 106 of this Letter of Offer.

Please note that 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.

## CAPITAL STRUCTURE

Share capital of our Company, as on the date of filing of this Letter of Offer with NSE and after giving effect to the Issue is set forth below: -

Particulars		Aggregate Value at Face Value (₹ in Lakh)	Aggregate Value at Issue Price (₹ in Lakh)
<b>A</b>	<b>Present Authorized Share Capital</b>		
	100000000 Equity Shares of face value of ₹ 2.00 each	2000.00	NA
<b>B</b>	<b>Present Issue, Subscribed and Paid-up Capital</b>		
	50652330 Equity Shares of face value of ₹ 2.00 each	1013.05	NA
<b>C</b>	<b>Present Issue in terms of this Letter of Offer</b>		
	Up to 40521864 Right Equity Shares of Face Value of ₹ 2.00 each for cash at a price of ₹ 6.40 per Equity Share*	810.44	2,593.40
<b>D</b>	<b>Issued, Subscribed and Paid-Up Equity Share Capital after this Issue**</b>		
	Up to 91174194 Equity Shares of Face Value of ₹ 2.00 each	911.74	NA
	<b>Securities Premium Account</b>		<b>(₹ in Lakh)</b>
	Before the Issue		568.81
	After the Issue		2,351.77

\* Assuming full subscription for and allotment of the Rights Entitlement.

The present Issue has been authorized by the Board of Directors pursuant to a resolution passed at its meeting held on January 31, 2024 under Section 62(1)(c) of the Companies Act 2013.

For further details, please refer to the Chapter titled “The Issue” on page 106 of this Letter of Offer. Our Company has no outstanding convertible instruments as on the date of this Letter of Offer.

### NOTES TO CAPITAL STRUCTURE:

- Except below, our Company does not have any employee stock option scheme or employee stock purchase scheme.

Vide Special Resolution passed on August 30, 2022, our Company has approved “Kshitij Polyline Limited – Employee Stock Option Plan 2022” (“the Scheme”) and thereby creating 50,00,000 (post sub division of equity shares of Face value of Rupees 10/- into Equity Shares of Face Value of Rupees 2/-). However, till date of this Letter of Offer, our Company has not granted any options under the Scheme to any of the Employee.

- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares.

### 3. Shareholding of Promoter and Promoter Group:

The details of specified securities held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on the date of this Letter of Offer are set forth hereunder:

Sr. No.	Name of the Promoter and & Promoter Group	Category	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/ encumbered		Details of Equity Shares locked-in	
					No. of Equity Shares	% of total share capital	No. of Equity Shares	% of total share capital
1.	Rita Bharat Gala	Promoter	-	-	-	-	-	-
2.	Bharat Hemraj Gala	Promoter	-	-	-	-	-	-
3.	Hemraj Bhimshi Gala	Promoter	-	-	-	-	-	-
4.	Bharat Hemraj Gala (HUF)	Promoter Group	-	-	-	-	-	-

Sr. No.	Name of the Promoter and & Promoter Group	Category	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/encumbered		Details of Equity Shares locked-in	
					No. of Equity Shares	% of total share capital	No. of Equity Shares	% of total share capital
5.	Rahul Devashi Shah	Promoter Group	-	-	-	-	-	-
6.	Kshitika Bharat Gala	Promoter Group	-	-	-	-	-	-
7.	Manasvi Bharat Gala	Promoter Group	-	-	-	-	-	-
8.	Manjula Rajesh Gala	Promoter Group	-	-	-	-	-	-
9.	Rajesh Hemraj Gala	Promoter Group	-	-	-	-	-	-

None of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise encumbered.

4. Equity Shares have been acquired by the Promoter or members of the Promoter Group in the year immediately preceding the date of this Letter of Offer which are as follows.

Sr. No.	Name of the Promoter & Promoter Group	Category	Transaction Period	No. of Equity Shares
1.	Bharat Hemraj Gala	Promoter	08/06/2023	3966825

5. Intention and extent of participation in the Issue by the Promoter and Promoter Group:

Our Promoter and members of the Promoter Group of our Company have, vide their letters dated January 31, 2024 (“Subscription Letters”) indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Further, the promoters have confirmed that do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

The Company shall maintain minimum public shareholding requirements as stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled “Objects of the Issue” at page 43 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

In case the Rights Issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and the Equity Shareholders and in compliance with the applicable laws.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.
7. At any given time, there shall be only one denomination of the Equity Shares of our Company, excluding any equity shares with superior rights, if any, issued by our Company.
8. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 5.88.
9. The details of the shareholders holding more than 1% of the share capital of the Company as on March 31, 2024 are as under:

Sr. No.	Name of Shareholders	No. of Equity Shares held	% of total share capital
1.	Donel Dcruz Melby Dcruz	790000	1.56
2.	Sheen Joseph Dcruz	940000	1.86
3.	Bhavishya Ecommerce Private Limited	4000000	7.90
4.	JR Seamless Private Limited	642579	1.27

#### 10. Shareholding Pattern of our Company:

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on March 31, 2024 can be accessed on the website of the NSE at - <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=KSHITIJPOL&tabIndex=equity>

The statement showing the holding of Equity Shares of persons belonging to the category “Promoter and Promoters Group” as on March 31, 2024 can be accessed on the website of the NSE at - <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=KSHITIJPOL&tabIndex=equity>

The Statement of showing the details of shares pledged, encumbrance by promoters and promoter group as on March 31, 2024 can be accessed on the website of the NSE at - <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=KSHITIJPOL&tabIndex=equity>

#### 11. Details of options and convertible securities outstanding as on the date of this Letter of Offer:

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue Proceeds from the Issue will be utilized towards the following objects:

- 1) To repay or prepay, in full or in part, of certain borrowings availed by our Company (including interest)
- 2) Capital expenditure for purchase of Plant and Machineries
- 3) To meet General corporate purposes
- 4) Offer Related Expenses

*(Collectively referred as the “objects”)*

The main objects of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Our funding requirements are dependent on a number of factors, which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure, subject to compliance with applicable law.

### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ 2,548.40 Lakhs (the “**Net Issue Proceeds**”).

The following table summarizes the requirement of funds:

Particulars	Amount (₹ in Lakhs)
Gross Offer Proceeds*	2,593.40
Less: Offer Related Expenses	45.00
<b>Net Offer Proceeds</b>	<b>2,548.40</b>

*\*To be finalized upon determination of the Issue Price and updated in the Letter of Offer prior to filing with the RoC.*

### UTILIZATION OF NET ISSUE PROCEEDS

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

Particulars	Amount (₹ in Lakhs)	% of gross proceeds	% of Net proceeds
To repay or prepay, in full or in part, of certain borrowings availed by our Company (including interest).	1,320.00	50.90	51.80
Capital expenditure for purchase of Plant and Machineries	649.32	25.04	25.48
To meet General corporate purposes#	579.08	22.33]	22.72
<b>Total</b>	<b>2,548.40</b>	<b>98.26</b>	<b>100.00</b>

*# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Offer proceeds.*

### SCHEDULE OF IMPLEMENTATION/ UTILIZATION OF ISSUE PROCEEDS

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

Particulars	Amount (₹ in Lakhs) Proposed to be Deployed from Issue Proceeds	Estimated Schedule of Deployment of Net Proceeds	
		FY 2024-25	FY 2025-26
To repay or prepay, in full or in part, of certain borrowings availed by our Company (including interest)	1,320.00	1,320.00	-

Particulars	Amount (₹ in Lakhs) Proposed to be Deployed from Issue Proceeds	Estimated Schedule of Deployment of Net Proceeds	
		FY 2024-25	FY 2025-26
Capital expenditure for purchase of Plant and Machineries	649.32	649.32	-
To meet General corporate purposes#	579.08	579.08	-
<b>Total</b>	<b>2,548.40</b>	<b>2,548.40</b>	<b>-</b>

# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Offer proceeds.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects, subject to compliance of applicable laws.

## MEANS OF FINANCE

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, subject to compliance of applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

## DETAILS OF THE OBJECTS

The details of the objects of the Issue are set out below:

### 1. TO REPAY OR PREPAY, IN FULL OR IN PART, OF CERTAIN BORROWINGS AVAILED BY OUR COMPANY (INCLUDING INTEREST):

Our Company has, in the regular course of business, entered into various financing arrangements with bank, financial institution and other body corporates. Further, depending on the business requirements of our Company and other considerations, certain of the borrowings are rolled over based on commercially agreed upon terms between us and the lenders of these borrowings. Such rollovers may result in changes to the certain commercial terms and conditions of such borrowings, including the change in the lenders in some cases. Additionally, the aggregate outstanding amounts under these borrowings may vary from time to time, and our Company may, in accordance with the relevant repayment schedule, repay or refinance, or prepay, some of its existing borrowings.

As at May 31, 2024, the amount outstanding under borrowing arrangements, secured and unsecured, of our Company to be Fully or partially repaid or to be repaid is ₹ 2,696.61 Lakhs (referred to as "Borrowings").

Our Company proposes to utilise an estimated amount of ₹ 1,320 Lakhs from the Net Proceeds towards full or partial repayment or pre-payment of borrowings availed by our Company.

The details of the identified secured and unsecured loans availed by our Company, proposed to be repaid and/or pre-paid and/or adjusted and/or settled, in full or in part, including interest thereon, in the manner detailed above, are as follows:

### 1. Identified secured loan availed by Company as at May 31, 2024;

Name of the Lender	Purpose/ type of loan	Tenure of the loan/ Repayment term	Rate of interest (per annum) %	Amount sanctioned (₹ in Lakh)	Amount outstanding as on May 31, 2024 (₹ in Lakh)
Axis Bank – 918030098851419	Cash Credit	Annually review	11.25%	626.00	621.72
Axis Bank CC- 920030017080147	Cash Credit	Annually review	11.25%	224.00	223.83
HDFC Bank Ltd. - Car Loan	Term Loan	upto January 2025	9.75%	10.07	1.45
HDFC Bank Ltd. - Tempo Loan	Term Loan	upto May 2026	9.00%	11.05	3.75
HDFC Bank Ltd. - Car Loan	Term Loan	upto December 2026	9.75%	8.76	4.00
Tata Capital Financial Services	Term Loan	upto July 2025	14.30%	48.00	11.65
Tata Capital Financial Services	Term Loan	upto July 2025	14.30%	1.42	1.43
SIDBI	Term Loan	upto September 2025	8.27%	170.00	8.88
SIDBI	Term Loan	upto August 2025	5.00%	45.00	11.68
SIDBI Liquid Loan D0003D4C	Term Loan	upto August 2024	9.05%	42.00	3.80
Axis - ECLGS	Term Loan	upto June 2024	8.60%	106.00	2.94
Axis - ECLGS	Term Loan	upto October 2024	9.25%	39.20	5.44
Axis - ECLGS	Term Loan	upto December 2026	8.60%	121.00	104.20
HDFC - ECLGS	Term Loan	upto July 2024	8.25%	5.00	0.31
SIDBI - ECLGS	Term Loan	upto June 2024	8.25%	30.84	0.86
SIDBI - ECLGS II	Term Loan	upto June 2026	6.00%	20.00	16.34
TATA - ECLGS	Term Loan	upto July 2024	12.00%	9.25	0.48
TATA - ECLGS II	Term Loan	upto December 2026	11.00%	4.62	3.86
TATA - Term Loan (E-41886)	Term Loan	upto July 2025	12.80%	18.10	6.40
TATA - Term Loan (E-31886)	Term Loan	upto August 2025	12.80%	13.77	5.60
FDOD AC - 923030014735928	FDOD	Annually review	9.00%	180.00	174.88
Aditya Birla Capital	Term Loan	upto December 2024	18.00%	15.50	2.53
Indiabulls Consumer Finance	Term Loan	upto June 2025	18.50%	16.19	3.67
Aditya Birla - ECLGS	Term Loan	upto August 2024	14.00%	6.44	0.65
Clix Capital - ECLGS	Term Loan	upto September 2024	14.00%	8.69	1.15
Deutsche Bank - ECLGS	Term Loan	upto February 2025	8.10%	1.21	0.34
EDELWEISS - ECLGS	Term Loan	upto August 2024	14.00%	2.29	0.23
IDFC First Bank - ECLGS	Term Loan	upto September 2024	9.25%	5.76	0.72
IDFC First Bank - ECLGS II	Term Loan	upto February 2026	9.25%	2.88	2.54
India Infoline Finance Ltd - ECLGS	Term Loan	upto August 2024	14.00%	1.77	0.41
Indusind Bank - ECLGS	Term Loan	upto August 2024	9.25%	2.20	0.19
Magma Fincorp Ltd	Term Loan	upto October 2024	14.00%	18.00	2.88
Magma Fincorp Ltd	Term Loan	upto October 2024	14.00%	2.49	0.40
Rattanindia Finance Pvt Ltd	Term Loan	upto October 2024	14.00%	2.56	0.42

## 2. Identified Unsecured loan availed by Company as at May 31, 2024;

Name of the Lender	Purpose/ type of loan	Tenure of the loan/ Repayment term	Rate of interest (per annum) %	Total Principal Amount (₹ in Lakh)	Amount outstanding as on May 31, 2024 (₹ in Lakh)
Bhavishya Ecommerce Private Limited	Demand Loan	upto September 2024	12.50%	-	509.43
Deep Diamond India Ltd	Demand Loan	upto September 2024	12.50%	-	338.75
Paritosh Electricals Pvt Ltd	Demand Loan	upto September 2024	12.50%	-	68.80

Out of the aggregate amount of ₹ 2,548.40 Lakh of the Net Proceeds, our Company proposes to utilise ₹ 1,320.00 Lakh towards repayment or prepayment of the Borrowings (including interest) from the Secured Lenders and Unsecured Lenders:

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt -equity ratio and enable utilization of our internal accruals for further investment in business growth. In addition, we believe that the strength of our balance sheet and our leverage capacity will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

The selection of borrowings proposed to be repaid and/ or pre-paid (including interest thereon) from our facilities provided above shall be based on various factors, including (i) cost of the borrowings to our Company, including applicable interest rates; (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of, such requirements; (iii) receipt of consents for prepayment from the respective lenders; (iv) terms and conditions of such consents and waivers; (v) levy of any prepayment penalties and the quantum thereof; (vi) provisions of any law, rules, regulations governing such borrowings; and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Accordingly, we may utilise the Net Proceeds for full or partial prepayment or repayment of any such refinanced facilities, or full or partial prepayment, or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ 1,320 Lakhs. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular Financial Year may be repaid/ pre-paid in part or full by our Company in the subsequent Financial Year, subject to compliance of applicable laws. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

## 2. CAPITAL EXPENDITURE FOR PURCHASE OF PLANT AND MACHINERIES:

As part of our continuing endeavour to expand our product portfolio, increase our manufacturing capabilities, strengthen our global presence, and become a key supplier, we intend to set up and modernize our manufacturing facilities to manufacture office files & folders, lamination pouches, polypropylene sheets, binding sheets, binding spiral, etc.

The proposed enhancement of manufacturing facilities includes installation of latest machineries used for manufacturing of polypropylene sheets and respective processing machines of office files & folders.

With a view to improve our productivity and enhancement of our existing capacity, we are in the process of expanding existing facilities of PP sheet extrusion and office files & folders processing by an installation of 2 pp sheet extrusion machines & 1 TQ film (PP TUBE) and 3 office files & folders processing machines & 1 PP SHEET PROTECTOR 11 HOLE Machine which will increase our 4MTn per day capacity by 300% from existing 4MTn per day to 12MTn per day.

This expansion coupled with existing manufacturing capabilities will have a total capacity to produce 3500+MTn per annum. The capacity is expanded looking at the demand from existing customers in addition to other opportunities of direct supply of finished binding polypropylene sheets, industrial polypropylene sheets and various office files & folders to other domestic and international customers. We believe that this enhancement of manufacturing and processing machines will

boost our existing capacity phenomenally and will help us to increase our productivity, widen our product range, improve our operational efficiencies, and assist in the reduction of our overall expenses which will improve our profit margins.

Our Company proposes to incur an aggregate cost of ₹ 649.32 lakhs towards purchase of plant and machinery for modernization and installation of latest plant and machinery at our manufacturing facilities. We do not intend to purchase any second-hand equipment. The details of the new plant and machinery proposed to be installed are set forth below:

SN	Date of Quotation <sup>^</sup>	Supplier Name#	Description of machinery	Quantity	Amount in USD	Amount* (₹ in lakhs)	% of each Machinery
1	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	PP extrusion 0.4-1.2mm	1	2,18,000	183.12	28.20%
2	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	PP extrusion 0.10-0.25mm	1	2,00,000	168.00	25.87%
3	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	Film Blowing 0.04-0.16mm	1	70,000	58.80	9.06%
4	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	Double line PP 11-hole punching (Sheet protector)	1	35,000	29.40	4.53%
5	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	Fully Automatic Report File Machine-Sheet feeding	1	90,000	75.60	11.64%
6	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	PP L folder	1	45,000	37.80	5.82%
7	13/06/2024	Shinruey Technology Co. Ltd - (Taiwan)	Auto sgl / dbl layer button bag machine-roll feeding	1	1,15,000	96.60	14.88%
			<b>Total</b>	<b>7</b>	<b>7,73,000</b>	<b>649.32</b>	

<sup>^</sup> Quotations are valid till 90 days from the date of Quotations.

# Our Company shall have flexibility in choosing the Supplier subject to overall cost of Plant and Machineries shall not exceed Rupees 649.32 Lakh.

\* Estimated amount which are denominated in foreign currencies (i.e., JPY, EURO, USD, CHF) has been converted based on the exchange rates as on date of purchase orders / payments made / forward rate. Actual amount may be subject to change as per the prevailing exchange rate at the time of making payments and the management has also provided contingencies for the same and cost includes applicable taxes.

### 3. GENERAL CORPORATE PURPOSE:

We propose to utilize ₹ 579.08 of the Net Proceeds towards general corporate purposes as approved by the Board, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds Issue Proceeds, in compliance with the SEBI ICDR Regulations.

In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, Strategic initiatives, including investments or acquisitions, from time to time, Repayment of present or future loans, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

The quantum of utilization of funds towards any of the purposes mentioned above will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance of applicable laws.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Letter of Offer, shall not exceed 25% of the amount raised by our Company through this Issue.

#### 4. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 45.00 Lakh. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (₹ In Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees Payable to Advisor to the Offer	14.50	32.22	0.56
Fees Payable to Registrar to the Offer	6.00	13.33	0.23
Fees Payable Advertising, Marketing Expenses and Printing Expenses	7.50	16.67	0.29
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	15.00	33.33	0.58
Escrow Bank Fees	1.00	2.22	0.04
Other issue related expense	1.00	2.22	0.04
<b>Total Estimated Offer Expenses</b>	<b>45.00</b>	<b>100.00</b>	<b>1.74</b>

#### Details of funds already deployed till date and sources of funds deployed:

The funds deployed up to May 31, 2024 pursuant to the object of this Issue as certified by the Auditors of our Company pursuant to their certificate dated June 13, 2024 is given below:

Deployment of funds	Expenses (₹ In Lakh)
Issue Related Expenses	2.50
<b>Total</b>	<b>2.50</b>

Sources of funds	Expenses (₹ In Lakh)
Internal Accruals	2.50
Bank Finance	0.00
<b>Total</b>	<b>2.50</b>

#### APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

#### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds.

#### INTERIM USE OF FUNDS

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

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

#### MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our

Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on quarterly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Letter of Offer and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **VARIATION IN OBJECTS**

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

### **OTHER CONFIRMATIONS**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
**KSHITIJ POLYLINE LIMITED**  
8, Sona Udyog, Parsi Panchayat Road,  
Andheri East, Mumbai City, Mumbai,  
Maharashtra, India, 400069

**Subject - Rights issue of equity shares of face value of ₹ 2 each (the “Equity Shares”) of Kshitij Polyline Limited (the “Company”) under Chapter III of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), and the Companies Act, 2013, as amended (the “Companies Act, 2013”) (“Rights Issue”)**

**Reference - Right Issue of Equity shares by Kshitij Polyline Limited**

Dear Sir/Madam

We hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose (“**Statement**”) for the Rights Issue, provides the possible special tax benefits available to the Company and its shareholders under direct tax and indirect tax laws presently in force in India, as amended and read with the rules, circulars and notifications, applicable for Financial Year 2023-24.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company or its shareholders faces in the future, the Company or its shareholders may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part B – 1) (10) of the SEBI ICDR Regulations. For the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, and/or its shareholders, the same would include those benefits as enumerated in **Annexure A**. Further, any benefits available under any other laws within or outside India, except for those mentioned in **Annexure A** have not been examined and covered by this statement.

The preparation of the accompanying statement is accurate, complete, and free from misstatement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.

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

Also, our confirmation is based on the existing provisions of law and our interpretation of the same, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

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

Our confirmation is based on the information, explanations and representations obtained from the Company and based on our understanding of the business activities and operations of the Company.

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

a) The Company and its shareholders will continue to obtain the benefits as per the Statement in future;

- b) The conditions prescribed for availing the benefits, wherever applicable have been/ would be met with; and
- c) The revenue authorities/courts will concur with the views expressed herein.

We hereby consent to be named an “expert” under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We also consent to the inclusion of this Statement and the Annexure as a part of “*Material Contracts and Documents for Inspection*” in connection with the Rights Issue, which will be available for inspection from date of the filing of the Draft Letter of Offer until the Issue Closing Date.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context. We have conducted our examination in accordance with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and accordingly, confirm that we have complied with such Code of Ethics issued by the ICAI.

This certificate is for information and for inclusion (in part or full) in the Issue Documents or any other Rights Issue-related material, and may be relied upon by the Company and the advisors appointed by the Company in relation to the Offer.

We hereby consent to (i) the submission of this certificate as may be necessary to the SEBI, the relevant stock exchanges and any other regulatory authority and/or for the records to be maintained by the Lead Managers and in accordance with applicable law; and (ii) the disclosure of this certificate if required by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority; or in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

Yours Faithfully  
**For, VRCA & Associates**  
**Chartered Accountants**  
**FRN: 104727W**

-- sd --

**Name: CA Krunal Brahmhatt**  
**Designation: Partner**  
**Membership No: 150053**

**Place: Mumbai**  
**Date: 31/01/2024**  
**UDIN: 24150053BKEPID2456**

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## ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Act.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in this Draft Letter of Offer.

## SECTION VI – ABOUT THE COMPANY

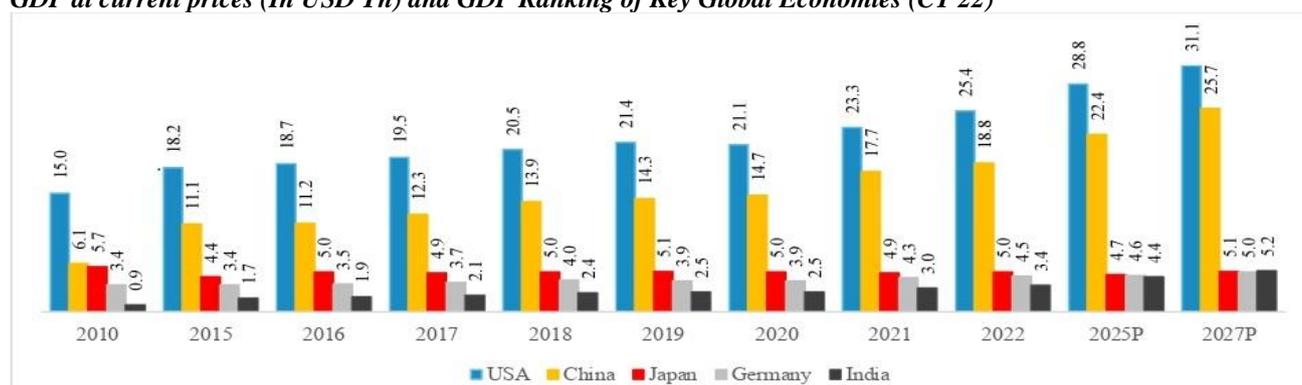
### INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market related information in this section has been derived from a report titled “Industry Report on the Stationery and Art Material Market in India” dated November 23, 2023, prepared by Technopak Advisors Private Limited (the “Technopak Report”). The data included herein includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer) that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

### GLOBAL OUTLOOK

Following the onset of the Covid-19 pandemic crisis, the global economy has experienced a combination of both risks and opportunities. Progressing toward recovery, the global economy started returning to normalcy after a prolonged struggle; the governments worldwide have taken swift and appropriate measures, including widespread vaccination efforts and the consistent implementation of fiscal and monetary support strategies. Right when the economic situation seemed to be improving after the Covid-19, the Russia-Ukraine geopolitical conflict unfolded, contributing to global inflationary pressures and resulting in record-high levels not witnessed in the past four decades. Moreover, the impact of the conflict between Israel and Hamas on global financial markets will be contingent on the involvement of major regional powers. If the conflict remains localized between Israel and Hamas, its effects are likely to be limited, primarily affecting countries directly engaged in trade with Israel or Palestine. However, should the conflict extend to major oil-producing nations in the region, such as Iran, the global economy may experience significant consequences. Interruptions in the oil supply could lead to a sharp increase in energy costs for businesses and households, posing a potential threat to the overall stability of the global economy. To tackle this, Central Banks are adopting a hawkish approach and implementing interest rate hikes. On the back of enhanced vaccination coverage and continued fiscal and monetary stimuli across countries, the GDP of the World grew by 13.2% CY 21 against a contraction of 3.0 % in CY 20. The positive trend continued into CY 22, with a growth rate of 4.7%. The global GDP is forecasted to grow from USD 101.0 trillion in CY 22 to 128.5 in CY 27, thus growing at a CAGR of 4.9% during the forecasted period. The GDP (at current price) of the major economies in the world is presented in the table below.

#### GDP at current prices (In USD Tn) and GDP Ranking of Key Global Economies (CY 22)



Source: World Bank Data, IMF, RBI; CY 2022 for India refers to FY 2023 data and so on.

Country	Rank in GDP (CY 22)	Rank in GDP (PPP)	CY 10	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 25P	CY 27P	CAGR (2016-21)	CAGR (2022-27)
USA	1	2	15.1	18.2	18.7	19.5	20.5	21.4	21.1	23.3	25.4	28.8	31.1	4.5%	4.1%
China	2	1	6.1	11.1	11.2	12.3	13.9	14.3	14.7	17.7	18.8	22.4	25.7	9.6%	6.5%
Japan	3	4	5.8	4.4	5.0	4.9	5.0	5.1	5.0	4.9	5.0	4.7	5.1	-0.4%	0.4%
Germany	4	5	3.4	3.4	3.5	3.7	4	3.9	3.9	4.3	4.5	4.6	5.0	4.2%	2.1%
India	5	3	0.9	1.7	1.9	2.1	2.4	2.5	2.5	3.0	3.4	4.4	5.2	9.6%	8.9%
UK	6	10	2.5	2.9	2.7	2.6	2.9	2.8	2.7	2.9	3.2	3.6	4.0	1.4%	4.6%
Brazil	12	8	2.2	1.8	1.8	2.1	1.9	1.9	1.5	1.6	1.8	2.3	2.6	-2.3%	7.6%
Russia	11	6	1.6	1.4	1.3	1.6	1.7	1.7	1.5	1.8	1.9	2.2	2.3	6.7%	3.9%
World	-	-	66.6	75.2	76.5	81.4	86.5	87.7	85.0	96.5	101.0	116.5	128.5	4.8%	4.9%

The world economy has experienced a contraction in GDP growth during the pandemic i.e. in CY 20. However, the governments and central banks globally have taken decisive actions by implementing fiscal and monetary stimulus measures to bolster the process of economic recovery. Further, the gradual recovery of global supply chains and increased international trade have contributed to the positive growth trajectory. These well-calibrated initiatives and the recovery to global supply-chain have been directed towards reinstating consumer and business confidence, stimulating demand, and achieving stability in financial markets. As a result of these concerted efforts, multiple countries and regions have demonstrated encouraging signs of economic revival and notable growth.

The economies of India and China witnessed remarkable growth in nominal GDP during the calendar year 2021 and 2022, following the COVID-19 pandemic. India demonstrated a substantial year-on-year nominal GDP growth rate of 21.8% in CY 21 followed by a growth of 11.7% in CY 22. Meanwhile China experienced a notable growth rate of 20.4% in CY 21 and 6.2% growth in CY 22. On the other hand, major economies like the United States and Germany reported GDP growth rates of 10.4% and 10.3% respectively during CY 21 followed by 9% and 4.7% GDP growths in CY 22. Japan, however, experienced a negative growth in GDP (-2.0%) during CY 21. Nevertheless, in CY 22, Japan’s GDP rebounded with a growth rate of 2%.

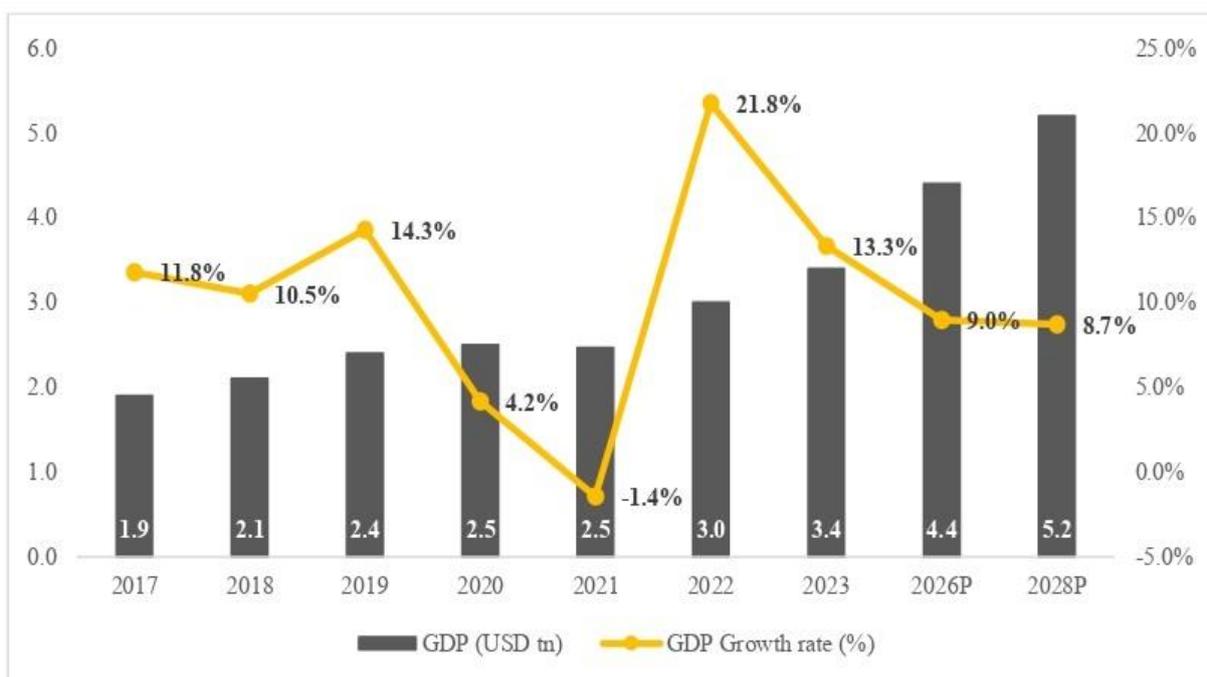
## INDIAN ECONOMY

**India is the world’s 5th largest economy and expected to be in the top 3 by FY 28**

India ranked fifth in the world in terms of nominal gross domestic product (“GDP”) for FY 22 and is the third largest economy in the world in terms of purchasing power parity (“PPP”). India is expected to be USD ~5.2 trillion economy by FY 28 and is estimated to be the third largest economy surpassing Germany and Japan.

**India’s nominal GDP at current prices (In USD Tn) and GDP Growth rate (%) (FY)**

India’s nominal GDP has grown at a CAGR of 9.6% between FY 17 and FY 22 and is expected to continue the trend by registering an expected CAGR of 8.9% for 5-year time period from FY 23 to FY 28. Since FY 05, the Indian economy’s growth rate had been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. From FY 23 to FY 28, India’s nominal GDP is expected to grow at a CAGR of 8.9%, which compares favorably to the world average (4.9%) and with other major economies, including China (6.5%), UK (4.6%), Japan (0.4%), Germany (2.1%) and the USA (4.1%) for the similar period of CY 22 to CY 27. It is also expected that the growth trajectory of Indian economy will enable India to be among the top 3 global economies by FY 28. Several factors are likely to contribute to economic growth in the long run. These include favourable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanization, growing young & working population, IT revolution, increasing penetration of mobile & internet infrastructure, government policies, increasing aspirations and affordability etc.



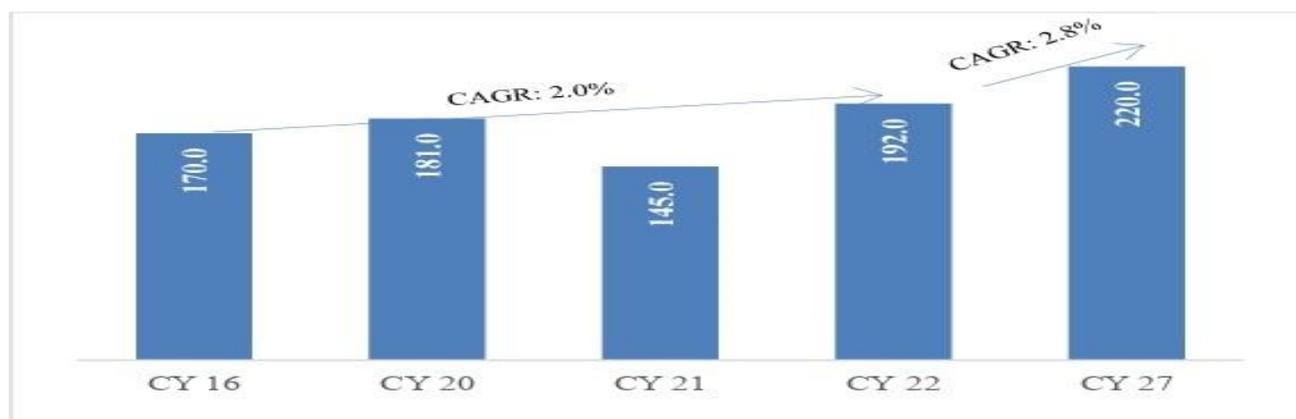
Source: World Bank Data, RBI, IMF

## GLOBAL STATIONERY AND ART MATERIALS MARKET

### Global Perspective of Stationery and ART Materials Market

The stationery and art materials industry deals in a wide range of products & categories, comprising paper products, writing instruments, computer stationery, school stationery, office stationery, stationery adhesives and art & craft products among others. The global market was valued at approximately USD 192 billion in CY 22 and expected to reach a market size of USD 220 billion by CY 27, registering CAGR of approximately 2.8% during the forecasted period, as compared to 2.0% from CY 16 to CY 22.

#### Global market size for the stationery product market (USD billion)



Source: Technopak Analysis

Asia Pacific holds the dominant share of the stationery and art materials product market followed by North America. In the year 2020, Asia and North America combined captured approximately 60% to 62% of the market for stationery products. The market share of these regions has increased over the two years and is estimated to capture approximately three fourth (~75%) of the global stationery and art materials market in the year 2022. The U.S. accounted for approximately one third of global stationery and art materials market size in 2022 and China captured approximately 28% of the global market size for the stationery products. Germany has reported approximately 10% of the global stationery and art materials market share, Japan contributed approximately 7% to the global market followed by India and Canada which constituted approximately 2.4% and approximately 2% of the global stationery and art materials market respectively.

Over the past years, the stationery & art materials market has been shifting towards Asian countries. The region is expected to have the largest contribution to the global stationery and art materials industry by CY 27. Countries like China, Japan, India, South Korea etc. are emerging as key players in the stationery and art materials market in Asia, with a large number of manufacturers, exporters, and suppliers in the region, expecting to contribute over 50% of the global stationery and art materials market by CY 27. This trend is largely due to the rise of Asia as a major economic powerhouse and the growing demand for affordable and high-quality stationery products.

## INDIAN STATIONERY AND ART MATERIALS MARKET

### Key Segments of Indian stationery and art materials market

Indian stationery and art materials market can be segmented into paper stationery and non-paper stationery products, with the latter constituting the larger share in the market by value. Paper stationery products can be further sub-divided into notebooks and papers, with notebooks accounting for the larger share by value. Nonpaper stationery products can be sub-divided into writing instruments, office supplies, art and craft products etc., with writing instruments accounting for the larger share by value.

The Indian stationery and art materials market has exhibited continuous growth over the years. It has an estimated size of INR 38,500 crore by value as of FY 23. However, the market witnessed a substantial sales dip in FY 21 due to Covid, during which schools, colleges were closed and had shifted to online mode of education and offices also went into work from home mode. The market bounced back with 35% growth in FY 22 due to revival in demand post reopening of schools, colleges, and resumption of work from office. The Indian stationery and art materials market is expected to grow at a CAGR of ~13% during FY 23-28 period to reach a market value of INR 71,600 crore by FY 28.

As of FY 23, non-paper stationery contributes ~58% (INR 22,300 crore) to the Indian stationery and art materials market by value. Out of the total non-paper stationery market, writing instruments, office supplies and art and craft contribute ~60%, ~21% and ~5% respectively. Paper stationery contributes ~42% (INR 16,200 crore) to the Indian stationery and art materials market by value. Out of the total paper stationery market, notebooks and papers contribute ~65% and ~35% respectively.

Non-paper stationery category is expected to grow at a CAGR of ~14% during FY 23-28 period to reach a market value of INR 42,900 crore by FY 28. Paper stationery category is expected to grow at a CAGR of ~12% during FY 23-28 period to reach a market value of INR 28,700 crore by FY 28.

### **India Stationery Market Shipment Analysis**

India Stationery Market registered a growth of 75.22% in value shipments in 2022 as compared to 2021 and a decrease of -0.21% CAGR in 2022 over a period of 2017. In Stationery Market India is becoming less competitive as HHI index in 2022 was 5288 while in 2017 it was 2549. Herfindahl Index measures the competitiveness of exporting countries. The range lies from 0 to 10000, where a lower index number represents a larger number of players or exporting countries in the market while a large index number means less numbers of players or countries exporting in the market. India has reportedly relied more on domestic production to meet its growing demand in Stationery Market.

India is shifting towards local production to meet its demand as we see the trend is shifting towards reducing imports. The import factor of Stationery Market in 2022 was 0.04 while in 2017 it was 0.04. China, USA, Germany, Japan and Rep. of Korea were among the top players of the market in 2022, where China acquired the largest market share of 72.27% with a shipment value of 4.28 million USD in 2022 China also offered the product below the average market price thus having a competitive advantage over others In 2017 China had the largest market share of 45.22% with the shipment value of 1.55 million USD. The country was offering its product with an average price which is lower than the average market price offered in the country. As China price is lower than the average price, it provided a significant edge among other competitor in 2017.

### **India Stationery Market Synopsis**

Before the COVID-19 outbreak, the growth of *India Stationery Market* was primarily driven by an increasing number of students enrolling in schools, as well as the rise in offices and banks across the country, resulting in a higher demand for stationary products. However, the outbreak of the COVID-19 pandemic in 2020 had a negative impact on market revenues. The closure of educational institutions meant that only 36% of enrolled children received learning materials or activities from their teachers, leading to reduced demand for stationery products in the education sector. Furthermore, there was a significant decrease in the supply of office space across seven major cities, with a decline of 30% from the previous year, going from 51.62 million sq. Ft to 36.34 million sq. Ft in 2020. This decline in office space availability further contributed to the decrease in demand for office-related stationery from the corporate sector.

The India stationery market size is projected to grow at a CAGR of 8.2% during 2023–2029. India stationery market is expected to further grow in the upcoming years as the country aims to ensure that all students should complete primary and lower secondary level education by 2030, and it hopes to witness an increase in enrolment to the upper secondary level from 55.8% in 2015 to 88% in 2030. Additionally, with the projected growth of the Indian education sector to reach \$225 billion by FY25, foreign schools are targeting the rising demand for high-quality education in the country's vast market. For instance, the Nordic chain of schools plans to open 25 schools by March 2024, and Singapore's global school foundation has announced an investment of approximately \$550 million in India's school education sector by 2026 and it will help in the significant growth of the India Stationery Industry.

### **India Non-Paper Stationery Market Synopsis**

The growth of India's stationery market was primarily driven by an increasing number of students enrolling in schools, as well as the rise in offices and banks across the country before the COVID-19 pandemic hit the nation, and this resulted in a higher demand for stationery products. However, the outbreak of the COVID-19 pandemic in 2020 had a negative impact on market revenues.

The closure of educational institutions meant that only 36% of enrolled children received study materials or activities from their teachers, leading to reduced demand for stationery products in the education sector. Furthermore, there was a significant decrease in the supply of office space across seven major cities, with a decline of 30% from the previous year, going from 51.62 million sq. Ft to 36.34 million sq. Ft in 2020. This decline in office space availability further contributed to the decrease in demand for office-related stationery from the corporate sector.

## **COVID-19 Impact on India Stationery Market**

The COVID-19 pandemic had an adverse impact on the India stationery market. With the nationwide restrictions and lockdowns imposed in order to curb the spread of the coronavirus, a number of businesses and educational institutions temporarily shut down physical operations and this led to a sharp decrease in the demand for traditional office as well as school supplies since people transitioned to online learning and remote work. As a result, numerous retailers and wholesalers confronted disruptions in their supply chains and they also experienced a decline in sales. However, there were certain segments in the stationery industry that came across increased demand. With the rise in work-from-home arrangements, there was a key uptick in the purchase of home office supplies like notebooks, markers, pens, and other stationery items. In addition, art and craft supplies witnessed a rise in popularity since people turned to creative activities in order to pass the time during lockdowns.

### **India Stationery Market: Government Regulations**

The stationery market in India is majorly governed by numerous government regulations that aim at ensuring product quality, fair trade practices, and consumer safety. One of the major regulatory bodies overseeing this market is the Bureau of Indian Standards (BIS). BIS sets quality standards as well as specifications for a wide range of stationery items including pens, notebooks, pencils, as well as other writing instruments. Importers and manufacturers are needed to obtain BIS certification for their products, which indicates compliance with the specified quality standards. Additionally, the government has also implemented Goods and Services Tax (GST) regulations, that have a prominent impact on the stationery market. GST has streamlined taxation. This not only simplified the tax compliance process for businesses but it has also brought greater transparency to transactions.

### **Key growth drivers for Indian Stationery Industry**

#### ***Favourable Demographics***

India has a higher share of youth population. “Youth in India 2022” report by Ministry of Statistics and Programme Implementation uses age group of 15 to 29 for defining youth. As of CY 21, ~26% of the population in India are in the age group of 0-14 and ~27% of the population belong to the young age group of 15-29. This signifies a huge potential for school, colleges, and other educational institutes, which in turn is going to drive the demand for stationery products in India. In addition to that, India also has a higher share of working age group in its population. As of CY 22, ~68% of the population belong to the working age group of 15 to 64 years. Such growing working class are going to drive the demand for office stationery in India.

#### ***Rising Literacy rate of India***

India’s literacy rate in CY 22 was 77.7%, which was ~65% in CY 01. Various government initiatives for improving literacy such as New India Literacy Programme (NILP), Right to Education Act (RTE) 2009, Sarva Siksha Abhiyan, NIPUN Bharat Scheme etc. along with increasing investments by Central and State governments on education sector, have contributed immensely towards the growth in literacy rate. Therefore, this rising literacy rate along with high population growth rate is going to provide a huge customer base for Indian stationery and art materials market in future, there by serving as a key growth driver.

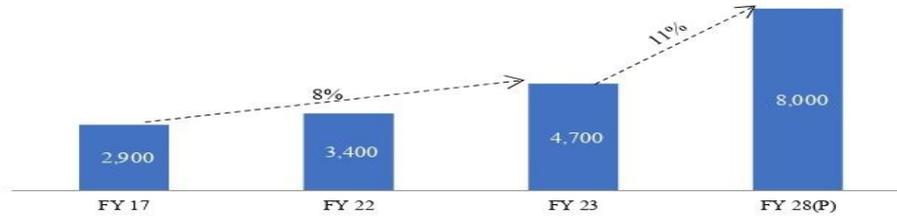
#### ***Improvement in Gross Enrolment Ratio (GER) and increase in number of schools and institutions***

As of FY 22, ~1 crore children were enrolled in pre-primary (<Class 1), ~12.2 crore in Primary (Class 1 to 5), ~6.7 crore in Upper Primary (Class 6 to 8), ~3.9 crore in Secondary (Class 9 to 10) and 2.9 crore in Higher Secondary (Class 11 to 12). GER is defined as total enrolment in a particular level of school education, regardless of age, expressed as a percentage of the population of the official age-group which corresponds to the given level of school education in a given school year. GER has increased from 102.7 in FY 20 to 103.4 in FY 22. Similarly, for Upper primary, GER has increased from 89.7 in FY 20 to 94.7 in FY 22 and for secondary, it has increased from 77.9 in FY 20 to 79.6 in FY 22. Higher secondary saw the highest increase in GER of ~11% from 51.7 in FY 20 to 57.6 in FY 22. As of FY 22, there are 26.5 crore student studying across 14.9 lakh schools in India. As of FY 21, ~4.1 crore students are studying in higher education across 56,200 higher education institutes in India. Such larger number of schools and institutions along with improvement in GER is going to immensely increase the consumer base for stationery products, there by driving its demand.

## Indian Office Supplies Market

Office supplies market in India comprises of files and folders, staplers, paper punches etc. As of FY 23, the Indian office supplies market is INR 4,700 crore by value and is expected to grow at a CAGR of ~11% till FY 28 to reach a market value of INR 8,000 crore.

**Indian Office Supplies Market – By Value (INR Crore) in FY**



Source – Technopak Analysis  
 Note-This does not include exports

## BUSINESS OVERVIEW

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Letter of Offer, including the information contained in the section titled “Risk Factors”, beginning on page no.22 of this Letter of Offer.*

*Unless the context otherwise requires, in relation to business operations, in this section of this Letter of Offer, all references to “we”, “us”, “our” and “our Company” are to Kshitij polyline Limited and Group Entities as the case may be.*

### OVERVIEW

Our Company was originally incorporated on March 26, 2008 as “as Kshitij Polyline Private Limited” vide Registration no. 180484 (CIN: U25209MH2008PTC180484) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Subsequently, our Company was converted into Public Limited Company and consequently name of company was changed from “Kshitij Polyline Private Limited” to “Kshitij Polyline Limited” vide resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 22, 2017 and a fresh certificate of incorporation dated January 19, 2018 issued by the Registrar of Companies, Mumbai. For details of changes in our Name and Registered Office of the Company and other details, kindly refer to the section titled “General Information” beginning on page no. 36 of this Letter of Offer.

Our Company was incorporated by our Promoters- Mr. Bharat Gala & his family members with an aim of running Manufacturing, marketing, sourcing of Plastic Sheet, lamination sheet, folders, I card and files having wide application in printing and stationery. As a part of business growth, the Company registered with the Registrar of Companies, Mumbai on 26th March, 2008 as Kshitij Polyline Private Limited. The company is promoted by Mr. Bharat Gala and His family having more than 25 years of experience in Plastic Sheet, lamination sheet, folders, I card and files.

Our Company & its executives have developed the skill and expertise in designing and innovation in office stationery, calendar, dairy and student study materials of different variety colours, design and application. We have also developed the in house technical & Design team to provide stationery solution and implementation for calendar, diary, books as replacement of traditional material with new and innovative PP material. Our aim to develop our Brand for quality products for Office stationery, Publicity material, ID card & smart card, File & folders & wiro books and developed the technique to make all products as — Make in India and provide competition to China and other Markets.

Under the guidance of promoters, our company has successfully launched wide products range, established goodwill for quality products and have the regular clients for the laminated & PP sheet, Wiro, File and folders. Our company has developed and launched more than 125 products range in File, Folder & Diary under our Brand in Indian Market. Further our company has supply – Make to order – ID card with ribbon, File & Folder with client Logo and Info, Display materials for Education, Pharma, FMCG, Finance and Insurance sectors.

Our company has developed the regular whole sellers and distributors for supply of laminated sheet, PP sheet, office stationery and allied products. KPL has established own distribution and marketing network in Pan India Basis. With its own network, company has developed the reputation and goodwill for timely supply of material to their reputed clients.

We believe that we have differentiated ourselves from our competitors through introduction of new products, including launching innovative designs targeted at addressing consumer needs, market trends and providing superior value to consumers. Our diversified product portfolio enables us to cater to a wide range of preferences and consumer segments. Our products are the Ready to use and primarily targeted to clients in Education, healthcare, hospitality, banking, insurance and Info tech companies. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

Our company has well established and high-tech manufacturing equipments and Design facility to manufacture the various combination and size products as per the specification and design of client. KPL has established and owned the ultramodern manufacturing facility at Survey No. 110/1/13, Amla Village, 66K.V.A Road, Near Alfa Packaging, Silvassa, - 396230, Dadra and Nagar Haveli, India.

We are equipped with all facilities to execute all types of manufacturing activities from granule to PP sheet with colours, PP sheet to finished products, QC & packaging, etc. Our Company is consistent in supplying of quality products round the year as customized products are made available to them as per the market demand. Our products comply with requisite safety standards. As a quality conscious company, we provide high performance-oriented range of products. We undertake extremely stringent quality checks at every level of the manufacturing processes. We are constantly striving to expand our

line of products and we are always on the lookout for complementary products that will add to our solution bouquet. We would seek product lines which have better scope for value addition and therefore offer us higher than average margins. The company provides the right kind of PP sheet & Stationery that is practical and affordable as well as attractive and enduring. It can be tailored as per unique needs. The company is using latest machineries and technology. The company keeps on up-grading its Manufacturing set-up, design capabilities and workmanship to deliver superior quality products with on-time deliveries and without any compromise on quality.

Currently, we have a head office and a sales office located in Mumbai, Maharashtra. The company establishes a long-term relationship with their clients by providing good quality product, which will surely go a long way and benefit the company. The company is backed by a team of highly creative and experienced professionals who have an affinity for creating innovative designs. The company's team has been a major strength as it understands the varied needs of the clients and works accordingly. From processing to finish, the company tries its best to ensure the quality of every single product delivered by the company.

Our Promoters, Mr. Bharat Gala with their rich experience of more than 25 years, have been prominent is growing the stationery & plastic business in a more organized manner thereby expanding their horizon to various sectors.

**BUSINESS ACTIVITY**

**OUR PRODUCTS**

Our company has developed various products as follows:

**Office Stationery and Utility products**

Developed the office stationery and utility products with wide ranges of application such as tailor made files, folders, diary, desk board and ID cards & display material. Our Focus to sale these products to corporate, SME, bank and Insurance company. We also participate and do vender registration to supply chain of stores, E commerce and online marketing companies.



**Laminated Sheet & PP Sheet**

We supply the sheet to manufacturer of stationery products, packing material. We apply tender and presentation for Government and Institution supply for bulk and institution business.



**Wiro and Spiral**

We supply tailor made design and size of wiro and spiral material suitable for making calendar, diary, note book and presentation material. We make as per the specification and order.



**Personalised Products**

We supply tailor made and as per the specification ID cards, Poly ribbon, invitation and desk material. We focus for the same in Event & Exhibition, Education, banking and corporate.

### Badge clips



### Neck Lanyards



### Plastic Card Holders



### Manufacturing Process

Our manufacturing facility is designed as follows:

#### PP Sheet Production Process:



1. **Raw Material** – All raw materials of PP granules, colour masterbatch, filler, and additive will be taken according to set formula and will be put in Mixer for proper mixing.
2. **Loading** – Mixed material will be feeded in Extruder machine through Hopper.
3. **Extrusion**-Material will be conveyed and melted in extruder by heaters at pre set temperature. Molten material will be extruded through die in the form of sheet. Sheet will be passed through water cooled design rolls.
4. **Cutter** – Sheet will be passed through cutter. According to preset size, sheet will be cut through cutter.
5. **Inspection** – Every hour ,sheet will be inspected for size, colour and quality
6. **Stacking** – Sheet will be stacked in stacker. As per set counting alarm, 50/100/200 pcs will be packed together with packaging material.

### Plastic Files Production Process:



1. **Raw Material** – PP sheet will be made according to size and colour of File order.
2. **Punching**- Sheet will be put in cutting machine. Sheet will be punched as per size of punching die/Jig fixed in the punching machine. It will also make creasing in file.
3. **Scrap** – Punching scrap will be separated and file will be stacked for next operation.
4. **Spine** – Spine will be made ready by extruding and cutting according to file size. Spine will be fixed in sealing machine with heat seal process.
5. **Pocket**– Pocket will be made ready by extruding and cutting according to file size. Pocket will be fixed in sealing machine with heat seal process.
6. **Clip**– Clip and other accessories will be fixed in riveting machine.
7. **Display** – As per customer’s requirement, display inner in the set of 10/20/30/40 will be fixed in sealing machine with heat seal process.
8. **Packing** – Single file or set of 6 or 12 files will be packed in polybag. Then all these files will be packet in strong corrugated box.

### Wiro Production Process:



1. **Raw Material** – Nylon coated wire roll will be fixed feeding side of wiro machine
2. **Forming**-Wire will be passed through die and will take shape and size according to die.
3. **Cutting** – Formed wiro will be cut as per pre set size.
4. **Roll** –According to customers requirement wiro cut will be rolled in roll form.
5. **Packing** – 50/100 wiro or 1 wiro roll with many loops will be packed in strong corrugated box.

### Laminating Pouch Production Process:



1. **Raw Material** – Polyester roll of particular thickness will be fixed in feeding side of extruder. It will be given UV corona treatment to have proper binding with another raw material EVA.
2. **Loading** – EVA material will be feeded in Extruder machine through Hopper.

3. **Extrusion-** Material will be conveyed and melted in extruder by heaters at preset temperature. Molten material will be extruded through die in the form of thin sheet. Polyester film will be passed above this extruded EVA sheet and together it will be passed through water cooled rolls.
4. **Cutter** – Sheet will be passed through cutter. According to preset size, sheet will be cut through cutter.
5. **Inspection** – Every hour, sheet will be inspected for size, bonding and quality
6. **Stacking** – Sheet will be packed in roll form.
7. **Pouch cutting machine** – EVA bonded Polyester roll will be fixed in feeding area of ready pouch machine.
8. **Cutter** – Sheet will be passed through cutter and sealing. According to preset size, we will get ready pouch.
9. **Packing-** Ready Laminating pouch will be packed in strong corrugated box

## COMPETITIVE STRNGTH

### 1. Experienced promoters and Management Expertise

Our Promoter, Mr. Bharat Gala is Commerce Graduate with experience in office stationery, file, folder and diary and has been actively involved in this industry since last 25 years. He has hence developed immense knowledge of the stationery industry and its intricate workings. Our promoters have developed the skill and expertise in Inventory Management, designing and innovation in stationery products used in Education, Healthcare and Corporate organisation. Under their guidance, knowledge and business skills we have been able to successfully implement our business plans and achieve growth.

For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled “Our Management” beginning on page no. 68 of this Letter of Offer. We believe that our management team’s experience and their understanding of the stationery & plastic industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

### 2. Timely Delivery of Products

Our promoter has excellent record of delivering the products in specified time period which makes our company unique from our competitors. In terms of Quality, our company focuses significantly on the quality of the raw materials and finished products at all our Manufacturing units to ensure the desired quality is attained.

### 3. Unique Brand Positioning

The company believes in providing the customers value for their money and have positioned the products at reasonable price with a focus on the Corporate, SME & student segment. The company believes that there is an untapped market in the middle income segment which is both brand conscious and aspiration in nature. The company feels it is targeting one of the fastest growing segments, having an increasing level of disposable income. Our brands give us a broader platform to market our products to our customers.

### 4. Lead in Office Stationery

The Stationery industry is a fragmented and an unorganized industry & depend more on Imported material. We believe we have created a niche for ourselves in this industry by introducing our brand for file, folder, diary and office stationery segment. We believe our brand is synonymous with quality assurance in terms of strength and durability. We have been able to sustain the demand for office stationery by offering a continuous flow of value additions such as innovation, new designs and finishes. We believe that our products enjoy easy recall and help us enhance our market share.

### 5. Well developed distribution and marketing network

Our company has developed and implemented a wide range of networking channels throughout the industry and society to strengthen the scope of identifying core customer base and designing right marketing strategies for procurement and liaising to deliver customized products and solutions for clients. Our distribution and marketing network ensures our product

availability to our customers translating into efficient supply chain, focused customer service and short turnaround times for product delivery.

#### **6. Team of professional and skilled staff**

Our team has been a major strength as it understands the varied needs of the client & product application and works accordingly. From processing to finish, we try our best to ensure the quality of every single product delivered by us. Also, we have in house design and technical team for our new product development.

#### **7. Large & Diverse Product Portfolio**

We are engaged in the manufacturing of the PP sheet, office stationery & accessories products and undertake personalize & customize projects. We are currently manufacturing a wide range of products like Laminated sheet, PP sheet, file, folders, cheque book folder, diary, calendar wiro, ID cards & pads with different specification & design and many other stationery items which are used by the corporate and household.

#### **8. Established relationship with institutional & corporate customers**

Our company focuses on providing the customers with the desired quality and standard products. By providing the products with the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers.

#### **9. Quality Assurance and Control**

We follow a practice of testing our products for the desired quality and customer requirement before dispatching the same to the customers. We perform test such as visual inspection, mechanical test, Insulation resistance test, operational test, Continuity test and temperature & strength test to ensure the quality and safety of the products.

#### **10. Integrated manufacturing facility**

We do continuous endeavour to maintain the requisite infrastructure and technological up gradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure.

### **BUSINESS STRATEGY**

#### **1. Leveraging Market Skills**

Under the leadership and experience of our Promoter namely Mr. Bharat Gala who is overseeing the marketing of the products and also handles the co-ordination with the various corporate and government authority in the country. We have been able to procure good & regular orders. We aim to further leverage our marketing skills and relationships and further enhancing customer satisfaction. We also intend to further expand our client base by meeting orders in time and maintaining customer relationships.

#### **2. Long Term Relationship with Clients**

Customer satisfaction and Strong long term relationship with the client is key to success for any organization. Our on time delivery and quality product helps us maintain strong relationship with our customers and also gives us competitive against our peers.

#### **3. Achieving Operational Efficiencies**

Our company aims to achieve operational efficiencies through cost reduction. We believe that this could be done through economies of scale and further increasing our areas of operations. We continue to invest in latest technology to ensure operational and management efficiencies, and to standard to quality.

#### **4. Expand Distribution Network & Customer Base**

Our company has presence in many parts of the country and aims to further increase its production capacity. We aim to widen our marketing network further to cover unexplored areas in India and strengthen our customer base.

## 5. Brand Building

The industry is seeing a shift in market share from the unorganised to the organised sector. We seek to capture a greater market share in this environment and it is important to invest in the brand to strengthen the top of the mind recall and consequently we shall continue to invest in our brands.

## 6. Expand the Business in new location

We intend to continue to focus on performance and project execution in order to maximize client satisfaction. We also intend to Develop in Drawing, design and Quality control unit for our products and also leverage advanced technologies, designs and project management tools to increase productivity.

## COLLABORATIONS

Our Company has not entered into any collaboration agreements as on date of this Letter of Offer.

## OUR RAW MATERIALS

Most of our raw material like HDPE, PP, colour, chemical, fibre, fabric, metal wire and sheet. We generally procure these raw material from local and international suppliers.

## SWOT ANALYSIS

### Strengths

- Quality & Innovative product gives a market edge for most of the suppliers.
- Manufacturing of Laminated Sheet and Stationery, demand for which is continuously rising.
- Competitive edge in terms of quality and competitive bidding.
- The company has well marketing & distribution network.
- Long Experience of Promoter in the Field.

### Weaknesses

- Dependent upon growth in stationery industry & competition from China and International suppliers
- Requirement of Finance to cater on national level
- Limited market share & presence in few segments
- Customers supply at door to door on national level
- Competitors can offer similar products quickly

### Threats

- Changes of government policies
- Fluctuations in raw material prices
- Rising labour wages
- Change of behaviour of consumer demand
- Increase in Input cost can cause upward pricing
- Too many players entering and exit the market

### Opportunities

- Growing acceptance by consumers of new and innovative stationery products
- Rising in the demand for products in emerging areas – Education, Office and Household segments
- E commerce and Online sale is growing and can able to cater on national level easily
- Development of specialise products suitable for SME, Exhibition, Household has huge demand

## REVENUE FROM OPERATION:

Our Company sales its goods in Domestic as well as International Market. The details of geographic revenue is provided as under;

(₹ in Lakh)

Particulars	For the year ended on March 31,		
	2024	2023	2022
Domestic	3,296.22	3,293.37	3,788.01
Export (including deemed export through SEZ)	125.77	104.17	115.70
<b>Total</b>	<b>3,421.98</b>	<b>3,397.54</b>	<b>3,903.71</b>

## COMPETITION

We face competition from different regional & national domestic stationery producers. Competitors having superior financial, research, execution and marketing resources than us pose competition to us. Our competitors include both large and small stationery producers in the regions and areas where we operate. We also face competition from various small unorganized operators. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

## END USERS

Our diversified product portfolio enables us to cater to a wide range of preferences and consumer segments. Our products are the Ready to use and primarily targeted to clients in Education, healthcare, hospitality, banking, insurance and Info tech companies. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

## MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with the customers who have been associated with our Company. Our team through their relevant experience and good rapport with these customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company.

We believe our relationship with our customers is strong and established as we receive repeated orders. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by increasing our presence in existing markets and reaching out to other geographical areas. Our marketing team is ready to take up challenge so as to scale new heights.

## INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken Standard Fire & Special Perils Policy for a substantial majority of our assets at our office and factory. Our policies are subject to customary exclusions and customary deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

## INTELLECTUAL PROPERTY

The current logo of the Company belongs to and under registration in the name of Kshitij Polyline Private Limited. The details of Intellectual Property owned by the Company are as follows;

Sr. No.	Brand Name / Logo Trademark	Registration and Class Number	Owner	Date of Application	Authority	Current Status	Date of Expiry
1.	Device of 	2424483 under Class 16 in respect of Office Stationery.	Kshitij Polyline Private Limited	December 21, 2017	Registrar Of Trademark, Mumbai	Registered	December 20, 2027

## OUR PROPERTIES

We own and lease certain properties for our corporate operations and projects. The brief details of some of the material properties owned/leased by our Company are set out below:

Name of the Seller / Lessor	Location	Area	Purpose	Purchase / On Rent / Leased	Rent / Consideration (₹ in Lakh)	Validity of Agreement
Mr. Hukum	Survey No. 110/1/13, 1 <sup>st</sup> Floor, Amla Village,	800 sq. mtrs	Factory	Purchased	23.00	Permanent

Name of the Seller / Lessor	Location	Area	Purpose	Purchase / On Rent / Leased	Rent / Consideration (₹ in Lakh)	Validity of Agreement
Singh B. Rathod	66.K.V.A Road, Near Alfa Packaging, Silvassa, Dadra and Nagar Haveli-396230	(736.27 Sq. Mtrs Total Constructed area)				
Mr. Hukum Singh B. Rathod	Survey No. 110/1/13, Ground Floor, Amlı Village, 66.K.V.A Road, Near Alfa Packaging, Silvassa, Dadra and Nagar Haveli- 396230	800 sq. mtrs (669.46 Sq. Mtrs Total Constructed area)	Factory	Purchased	27.00	Permanent
Permanent Magnets Limited	Survey No. 110/1/11 and 110/1/12 Ground Floor, Amlı Village, 66.K.V.A Road, Near Alfa Packaging, Silvassa, Dadra and Nagar Haveli-396230	800 sq. mtrs + 800 sq. mtrs	Factory	Purchased vide Deed of Sale dated November 26, 2013	190.00	Permanent
Ms. Manisha Chordia	Office No. 417 and 418, 4th Floor, Dimple Arcade Premises Co Op Society Ltd, Asha Nagar Thakur Complex, Poisar, Kandivali East Mumbai-400101	410 Square Feet	Registered Office	On rent vide Rent Agreement dated April 2, 2023	0.80 per month	From 01/04/2023 to 31/03/2026

## OUR MANAGEMENT

Our Articles of Association require us to have not less than 3 Directors and not more than 15 Directors, subject to the applicable provisions of the Companies Act, 2013. Set forth below are details regarding our Board as on the date of this Letter of Offer.

We currently have Five (5) directors on our Board.

- |    |                              |   |                                  |
|----|------------------------------|---|----------------------------------|
| 1. | Mr. Mahendra Kumar Jain      | : | Chairperson & Executive Director |
| 2. | Ms. Vineeta Jain             | : | Executive Director               |
| 3. | Mrs. Manisha Chordia         | : | Non-Executive Director           |
| 4. | Mr. Mayur Jitendra Thakar    | : | Independent Director             |
| 5. | Mr. Ruhini Kumar Chakraborty | : | Independent Director             |
| 6. | Mr. Rushiraj Zaverbhai Patel | : | Independent Director             |

The Following table sets forth details regarding the Board of Directors as of the date of this Letter of offer.

MR. MAHENDRA KUMAR JAIN	
<b>Father's Name</b>	Mr. Laxmipat Jain
<b>Present Address</b>	House No. 301, Olive, D1, Wing-B, Yogi Hospital, Park City, Silvassa, Dadra & Nagar Haveli - 396230
<b>Date of Birth</b>	12/12/1957
<b>Age</b>	66 years
<b>Designation</b>	Chairman and Executive Director
<b>Status</b>	Executive
<b>DIN</b>	09765526
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Bachelor of Commerce
<b>No. of Years of Experience</b>	33 years of experience in Production Operation
<b>Date of Appointment</b>	14/10/2022
<b>Term of Appointment</b>	He holds the office for the period of five (5) years w.e.f. October 14, 2022, liable to retire by rotation.
<b>Other Directorships/ Designated Partner</b>	Sparion Infrastructure Private Limited Kshitij E-Stores Ventures Private Limited

MRS. VINEETA JAIN	
<b>Father's Name</b>	Mr. Arjun Jain
<b>Present Address</b>	E-201, Rakhee Vasant Utsav, C.H.S. Thakur Village, Near Thakur College, Kandivali East, Mumbai, Maharashtra, 400101
<b>Date of Birth</b>	11/11/1982
<b>Age</b>	42 years
<b>Designation</b>	Additional (Executive) Director
<b>Status</b>	Executive
<b>DIN</b>	10481057
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Master of Business Administration
<b>No. of Years of Experience</b>	5 years of experience in multiple industries
<b>Date of Appointment</b>	31/01/2024
<b>Term of Appointment</b>	Till the next general meeting of the Company or three months from the date of appointment whichever is earlier, liable to retire by rotation
<b>Other Directorships/ Designated Partner</b>	-

MRS. MANISHA CHORDIA	
<b>Father's Name</b>	Mr. Himmat Singh Choudhary
<b>Address</b>	C- 601, Kanakia Samarpan W.E.H, Borivali (East), Mumbai, Maharashtra – 400066, India

<b>Date of Birth</b>	12/06/1984
<b>Age</b>	39 years
<b>Designation</b>	Non-Executive Director
<b>Status</b>	Non-Executive
<b>DIN</b>	06530154
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Bachelor of Commerce
<b>No. of Years of Experience</b>	She shares her valuable experience in moulding the marketing strategies of the Company and actively participates in enhancing the Brand of KPL products.
<b>Date of Appointment</b>	02/06/2022
<b>Term of Appointment</b>	Liable to retire by rotation
<b>Other Directorships/ Designated Partner</b>	4E Advisory Private Limited

#### MR. RUSHIRAJ ZAVERBHAI PATEL

<b>Father's Name</b>	Mr. Zaverbhai S Patel
<b>Address</b>	B-10, Krishna Bunglows, Near Lad Society, Sandesh Press Road, Bodakdev, Ahmedabad, Gujarat – 380054, India
<b>Date of Birth</b>	22/04/1989
<b>Age</b>	34 years
<b>Designation</b>	Independent Director
<b>Status</b>	Non-Executive
<b>DIN</b>	08017580
<b>Occupation</b>	Business
<b>Nationality</b>	India
<b>Qualification</b>	B.Pharm Post Graduate Diploma in Agri Business Management
<b>No. of Years of Experience</b>	10 years
<b>Date of Appointment</b>	08/02/2018
<b>Term of Appointment</b>	He Holds the office as Non-Executive Independent Director of the company w.e.f. January 5, 2023, not liable to retire by rotation.
<b>Other Directorships/ Designated Partner</b>	Vasuki Global Industries Limited A2Z Sahay Enterprises Private Limited Ideal Technoplast Industries Limited

#### MR. MAYUR JITENDRA THAKAR

<b>Father's Name</b>	Mr. Jitendra Girijashankar Thakar
<b>Address</b>	A/G4 Soham Tower, 90 Feet Road, Near National Dairy, Bhayander West Thane, Maharashtra – 401101, India
<b>Date of Birth</b>	22/07/1974
<b>Age</b>	49 years
<b>Designation</b>	Independent Director
<b>Status</b>	Non-Executive
<b>DIN</b>	08156395
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	MBA-Finance
<b>No. of Years of Experience</b>	30 years of job experience in managing the overall Finance, Accounts, Taxation and Commercial function with strategic planning, budgeting, procurement and statutory compliances across the tenure & career track of delivering on time.
<b>Date of Appointment</b>	01/06/2023
<b>Term of Appointment</b>	He holds the offices as an Independent Director of the company w.e.f. June 1, 2023 not liable to retire by rotation
<b>Other Directorships/ Designated Partner</b>	Elegant Floriculture & Agrotech (India) Limited

<b>MR. RUHINI KUMAR CHAKRABORTY</b>	
<b>Father's Name</b>	Mr. Asiwini Kumar Chakraborty
<b>Address</b>	9/2A, Feeder Road, Belgharia North 24 Paraganas, Kolkata, West Bengal – 700056, India
<b>Date of Birth</b>	01/04/1956
<b>Age</b>	67 years
<b>Designation</b>	Independent Director
<b>Status</b>	Non-Executive
<b>DIN</b>	08124270
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	B.COM
<b>No. of Years of Experience</b>	More than 40 years in Security Market
<b>Date of Appointment</b>	01/06/2023
<b>Term of Appointment</b>	He holds the offices as an Independent Director of the company w.e.f. June 1, 2023 not liable to retire by rotation
<b>Other Directorships/ Designated Partner</b>	-

## **BRIEF BIOGRAPHIES OF DIRECTORS**

### **Mr. Mahendra Kumar Jain**

Mr. Mahendra Kumar Jain holds 33 years of experience in Production Operation. He is an Executive Director and CFO of the Company. He even manages real estate & properties of companies in Kolkata client like ICICI Bank/Indusind Bank/Care Insurance/ Exide life insurance. He holds strong experience in workplace management and operational activities along with providing support to finance department for budget, cashflow and liaising activity. He acts as one of the key managers for executing the complex task of the Company which is also acclaimed by the Company.

### **Ms. Vineeta Jain**

Ms. Vinita Jain holds master's in business administration (MBA) from Sikkim Manipal University, she has also done a Hospitality Management course from AHA. She has overall experience of five years in multiple industries. She has handled H1B recruitment for organizations like Microsoft and Aditi Technologies. She has experience in writing professional resumes and cover letters and have written for Shine.com and wisdomjobs.com. She has expertise in content writing and proficiently written unique content on varied subjects for Blogs, Websites, SEO/SEM articles for domains like Travel & e-Commerce inclusive of Product Descriptions etc. Her last organization was Fintrade L'Amour Services as HR Admin.

### **Mrs. Manisha Chordia**

Mrs Manisha Chordia has 10 years of experience in accountancy and finance. She has experience in finance management including Banking, investments and advisory. She has appeared for Mutual fund Distributors Certification Examination.

### **Mr. Rushiraj Zaverbhai Patel**

Rushiraj Patel, Independent Director, is a B. Pharm.- pharmacist from the pharmacy college - LM College of Pharmacy, Ahmadabad. He further did Post Graduate Diploma in Agri – Business Management from IIM-Ahmadabad. He started his career with Research and Strategy officer of regional party. He also held various leadership positions during his college career & IIM project. He has been a Strategy and business advisors to various businesses for their business expansion, growth and improve the overall efficiency of the firm. He has being advisors for clients in Pharma, Stationery, Chemical and bulk drug industry. He has successfully advised companies in their growth journey over the past 3 years and has worked across various sectors. He has also worked with private educational coaching institutes like IMS, Endeavor, Elite, Renaissance, Arihant in the past on the operational and strategy roles who are into Coaching for various management and higher studies competitive exams. He holds the experience and knowledge to explore various strategies that he has used successfully in the past to grow organizations across sectors.

### **Mr. Mayur Jitendra Thakar**

Mr. Mayur Thakar is a qualified MBA - Finance with over 30 years of job experience in managing the overall Finance, Accounts, Taxation and Commercial function with strategic planning, budgeting, procurement and statutory compliances

across the tenure & career track of delivering on time. He has been appointed as Independent director of the Company. He has in-depth knowledge of Fund Based & Non-Fund Based limits, Export Credit Facilities viz. Pre-shipment & Post-shipment finance, Bank Guarantee & opening of Letter of Credit alongwith Preparation of documents & Liaisoning with Bankers, NBFCs' for Project Funding, Working Capital Limit, Export Credit Facilities, LRD, LAP etc. He is very effective at Working Capital Management, Fund Planning, Cash Flow Management & Banking operations of the company.

### Mr. Ruhini Kumar Chakraborty

Mr. Ruhini Kumar Chakraborty holds a rich experience of more than 40 years in the filed of Security Market. He was working at Daulal & Co. Cd. stock Exchange, Damani & Sons, Bimalkar Ghosh, Globe Capital market, Systematix Shares & Stock India Ltd. Later on, he worked as the sub broker with PRB Securities Pvt. Ltd. Mg Bangur & Co and Apollo Sindoori.

## CONFIRMATION

Except disclosed below, 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.

<b>Name of Director</b>	<b>Ruhini Kumar Chakraborty</b>
<b>Name of the Company</b>	Ejecta Marketing Limited
<b>Listed on</b>	BSE Limited
<b>Date of suspension on the stock exchanges</b>	May 17, 2021
<b>If trading suspended for more than three months, reasons for suspension and period of suspension</b>	Non-Compliance of with Regulation 27(2) and Regulation 31 for two consecutive quarter i.e. September, 2020 and December, 2020 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
<b>If the suspension of trading revoked, the date of revocation of suspension</b>	Not Applicable. However, vide BSE Order dated June 16, 2023 had compulsorily delisted the Ejecta Marketing Limited.
<b>Term (along with relevant dates) of the director in the above company</b>	From 02/05/2018 to 19/05/2021

None of our Director is or was a director of any listed company which has been or was delist from any stock exchange, during the term of their directorship in such company, in the last five years immediately preceding the date of filing of this Letter of Offer.

## CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, 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 Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

### Committees of our Board

In addition to the committees of our Board detailed below, our board may from time to time constitute committees for various functions.

1. **Audit Committee.**
2. **Nomination and Remuneration Committee.**
3. **Stakeholders Relationship Committee.**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder.

### 1. Audit Committee:

The present constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mayur Jitendra Thakkar	Independent Director	Chairman
Ruhini Kumar Chakraborty	Independent Director	Member
Mahendra Kumar Jain	Executive Director	Member

Our Company Secretary and Compliance officer act as the secretary of the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### Role of Committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation or proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
24. Further, the Audit committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### **REVIEW OF INFORMATION BY THE COMMITTEE: -**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee and
6. Statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
8. Examination of the financial statement and auditors' report thereon;
9. Approval or any subsequent modification of transactions of the Company with related parties;
10. Scrutiny of inter-corporate loans and investment;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Monitoring the end use of funds raised through public offers and related matters;
14. Any other matters as prescribed by law from time to time.

#### **POWERS OF COMMITTEE: -**

1. May call for comments of auditors about internal control system, scope of audit, including observations of auditors and review of financial statement before their submission to board;
2. May discuss any related issues with internal and statutory auditors and management of the Company;
3. To investigate into any matter in relation to above items or referred to it by Board;
4. To obtain legal or professional advice from external sources and have full access to information contained in the records of the Company;
5. To seek information from any employee;
6. To secure attendance of outsiders with relevant expertise, if it considers necessary;
7. Any other power may be delegated to the Committee by way of operation of law.

#### **Quorum and Meetings**

The audit committee shall meet as and when required to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

#### **2. Nomination and Remuneration Committee:**

The present constitution of the Nomination and Remuneration Committee is as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mayur Jitendra Thakkar	Independent Director	Chairperson
Manisha Chordia	Non-Executive Director	Member
Ruhini Kumar Chakraborty	Independent Director	Member

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

### Terms of reference

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

### Quorum and Meetings

The Committee is required to meet at least once a year. Additional meetings are held for the purpose of recommending appointment/re-appointment of Directors and Key Managerial Personnel and their remuneration. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

### 3. Stakeholder Relationship Committee:

The present constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Ruhini Kumar Chakraborty	Independent Director	Chairman
Mahendra Kumar Jain	Executive Director	Member
Mayur Jitendra Thakkar	Independent Director	Member

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

### Terms of Reference

The role of the committee shall *inter-alia* include the following:

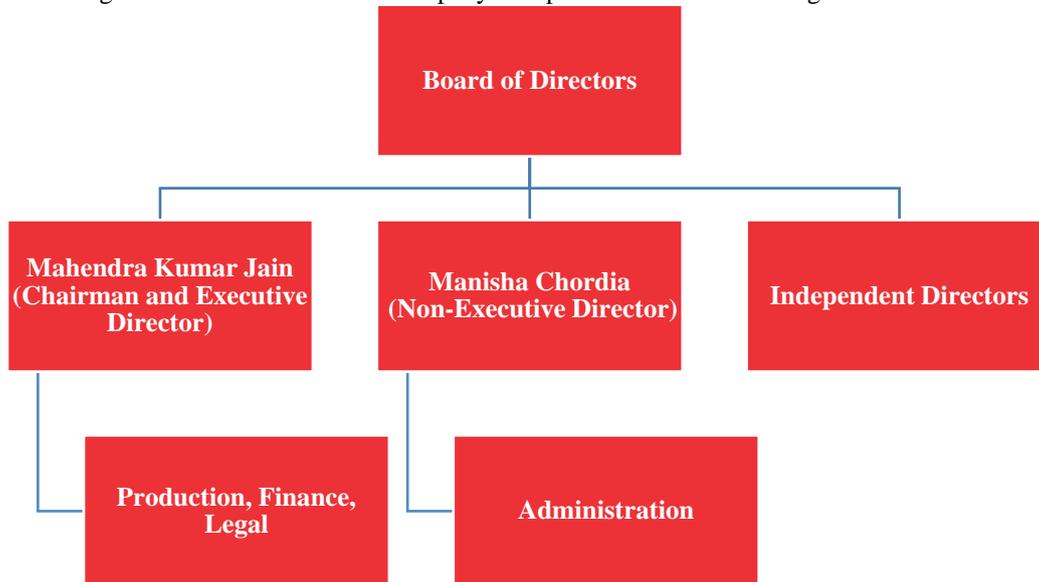
1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. 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.
4. 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.

### Quorum and Meetings

The Stakeholders Relationship Committee shall meet as and when require to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

## MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart:



### Our Key Management Personnel

The Key Managerial Personnel of our Company other than our Executive Director are as follows: -

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2022-23) (₹in Lakhs)
<b>Name</b>	<b>Ms. Nikita Mehta</b>	Hold the Degree of the Company Secretary from Institute of Company Secretary of India & Cost and Management Accountants from the Institute of Cost Accountants of India	Cavitak Marketing Private Limited	Not applicable as appointed w.e.f. 18/06/2024
<b>Designation</b>	Company Secretary and Compliance Officer			
<b>Date of Appointment</b>	June 18, 2024			
<b>Overall Experience</b>	She has an experience of more than 3 years in the field of Secretarial and Compliance related activities.			
<b>Name</b>	<b>Mr. Mahendra Kumar Jain</b>	Hold the Degree of Bachelor of Commerce	-	Not applicable as appointed w.e.f. January 31, 2024
<b>Designation</b>	Chief Financial Officer			
<b>Date of Appointment</b>	January 31, 2024			
<b>Overall Experience</b>	Mr. Mahendra Kumar Jain holds 33 years of experience in Production Operation. He is an Executive Director and CFO of the Company. He even manages real estate & properties of companies in Kolkata client like ICICI Bank/Indusind Bank/Care Insurance/ Exide life insurance. He holds strong experience in workplace management and operational activities along with providing support to finance department for budget, cashflow and liaising activity. He acts as one of the key managers for executing the complex task of the Company which is also acclaimed by the Company.			

## BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel.

### CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing of this Letter of Offer, otherwise than by way of retirement in due course.

Name of Directors	Date of Event	Nature of Events	Reason for the changes in the board
Mr. Rahul Ramesh Shah	22/11/2023	Resignation	Resignation as Chief financial officer of the Company.
Mr. Bharat Hemraj Gala	19/10/2023	Resignation	Resignation as Managing Director and Chief Executive Director of the Company.
Mr. Bharat Hemraj Gala	27/09/2023	Reappointment	Reappointment as Managing Director of the Company for a period of three years
Ms. Devyani Maheshwari	11/07/2023	Appointment	Appointment as Company secretary and Compliance officer of the Company
Mr. Rahul Shah	11/07/2023	Appointment	Appointment as Chief financial officer of the Company
Mr. Bharat Hemraj Gala	11/07/2023	Appointment	Appointment as Chief executive officer in addition to the position of Managing Director
Mr. Rahul Shah	05/07/2023	Resignation	Resignation as Chief Executive officer of the Company
Mrs. Manisha Ravindra Dedhia	01/07/2023	Resignation	Resignation as Chief Financial officer of the Company
Mr. Rajat Manjrekar	25/04/2023	Resignation	Resignation as Company secretary and Compliance officer of the Company
Mr. Rajat Manjrekar	13/02/2023	Appointment	Appointment as Company secretary and Compliance officer of the Company
Ms. Nisha Kushwaha	31/12/2022	Resignation	Resignation as Company secretary and Compliance officer of the Company
Mr. Rahul Devshi Shah	14/10/2022	Resignation	Resignation as Wholetime Director of the Company
Mrs. Manisha Ravindra Dedhia	24/05/2022	Appointment	Appointment as Chief financial Officer of the Company
Ms. Nandani Kothari	08/09/2021	Resignation	Resignation from the post of Chief financial officer of the Company
Ms. Nandani Kothari	01/03/2021	Appointment	Appointment as Chief financial Officer of the Company
Mr. Vijay Dhabliya	30/11/2020	Resignation	Resignation as Chief financial Officer of the Company
Mr. Mahendra Kumar Jain	31/01/2024	Appointment	Appointment as Chief financial Officer of the Company
Ms. Vineeta Jain	31/01/2024	Appointment	Appointment as Additional (Executive) Director of the Company
Ms. Devyani Maheshwari	16/04/2024	Resignation	Resignation from the post of Company Secretary of the Company
Ms. Rajul Visaria Dhimant	19/12/2023	Resignation	Resignation as Director of the Company
Ms. Nikita Mehta	18/06/2024	Appointment	Appointment as Company secretary and Compliance officer of the Company

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The following Individuals are our Promoters.

1. Mr. Bharat Hemraj Gala
2. Mr. Hemraj Bhimshi Gala
3. Mrs. Rita Bharat Gala

	<b>MR. BHARAT HEMRAJ GALA</b>
	<p>Bharat Hemraj Gala, promoter of the Company is Diploma in Plastic Engineering from Shree Bhagubhai Polytechnic College, Mumbai, and has more than 20 years of experience in Plastic &amp; Stationery Industry. He started the business of manufacturing Plastic Stationery and Laminated &amp; PP Sheets.</p> <p>During his career, he has developed a wide range of products with versatile application in lamination sheet, PP sheet, Office stationery accessories, Wiro Products and Files &amp; Folders. He has continually kept himself updated about new technologies by visiting and participating in International and Domestic Exhibitions and trade fairs.</p> <p>With his acumen and knowledge, Company has achieved new heights. They have commenced indenting Wiro products and other raw materials from China and Korea. Under his guidance, company has developed a state-of-the-art channel for marketing products, Technological up gradation and professional management for day to day business activities.</p>
<b>Date of Birth</b>	25/06/1975
<b>Age</b>	48 years
<b>Educational Qualification</b>	Diploma in Plastic Engineering
<b>Present Residential Address</b>	Flat No. 802, 8th Floor, Minal Tower, Old Nagardas Road Andheri East, Mumbai Maharashtra – 400069, India
<b>Position/posts held in the past</b>	He was originally appointed as Chairman and Managing Director of the company Director of the company on Incorporation i.e. March 26, 2008. After that he was re-appointed as Managing Director of the company for the period of five (5) years w.e.f. February 8, 2018. Further, he was even appointed as Chief Executive Officer of the Company w.e.f. July 11, 2023. Later on he resigned from the post of CEO and Managing Director w.e.f. October 19, 2023.
<b>Directorship held</b>	Sparion Infrastructure Private Limited Kshitij E-Stores Ventures Private Limited Lucky Plastics And Stationery Limited
<b>Other Ventures</b>	<ul style="list-style-type: none"> <li>➤ Bharat Hemraj Gala HUF</li> <li>➤ Lucky Plastics</li> </ul>

	<b>MR. HEMRAJ BHIMSHI GALA</b>
	<p>Mr. Hemraj Bhimshi Gala is Promoter of Kshitij Polyline Pvt. Ltd. He has an experience of more than 40 years of product development, trading of stationery, channel management and brand creation. He shares this valuable experience in moulding the marketing strategies of the company and R&amp;D for new product development.</p>
<b>Date of Birth</b>	27/04/1950
<b>Age</b>	73 years
<b>Educational Qualification</b>	Standard 5th
<b>Present Residential Address</b>	Flat No. 802, 8th Floor, Minal Tower, Old Nagardas Road Andheri East, Mumbai Maharashtra – 400069, India

<b>Position/posts held in the past</b>	-
<b>Directorship held</b>	Lucky Plastics And Stationery Limited
<b>Other Ventures</b>	<ul style="list-style-type: none"> <li>➤ Hemraj Gala HUF</li> <li>➤ Lucky Plastics</li> <li>➤ Amadeep Garments Stores</li> </ul>

	<b>MRS. RITA BHARAT GALA</b>
	Rita Bharat Gala, promoter of the Company, is B.A in Economics, from Mumbai University and has more than 15 years of experience in customer relationship management & Human resources she has single handedly managed ample exhibitions and fairs. She is familiar with a lot of software and her skills help her play a supportive role in many management activities.
<b>Date of Birth</b>	19/09/1975
<b>Age</b>	47 years
<b>Educational Qualification</b>	B.A.
<b>Present Residential Address</b>	B-4, Savita Sadan, S.N. Road, Andheri East, Mumbai 400069, Maharashtra, India.
<b>Position/posts held in the past</b>	She was initially appointed as Non-executive Independent Director of the Company on 31/03/2015. Further she resigned from the post of Independent Director w.e.f 17/03/2016. She was further appointed as Non-executive Director w.e.f. 29/11/2017. However, she resigned w.e.f. 11/12/2019.
<b>Directorship held</b>	Lucky Plastics And Stationery Limited
<b>Other Ventures</b>	-

### OUR PROMOTER GROUP:

In addition to our Promoters named above, the following individuals and entities form a part of the Promoter' Group:

#### **b. The following individuals form a part of the Promoter' Group:**

Relationship with Promoter	Mr. Bharat Hemraj Gala	Mrs. Rita Bharat Gala	Mr. Hemraj Bhimshi Gala
Father	Mr. Hemraj Bhimshi Gala	Mr. Devshi Shah	Mr. Bhimshi Gala
Mother	Mrs. Amrutben Hemraj Gala	Mrs. Amrutben Devshi Shah	Mrs. Ratnaben Bhmishi Gala
Spouse	Mrs. Rita Bharat Gala	Mrs. Bharat Hemraj Gala	Mrs. Amrutben Hemraj Gala
Brother/s	Mr. Rajesh Hemraj Gala Mr. Kalpesh Hemraj Gala	Mr. Rahul Devshi Shah Mr. Chetan Devshi Shah	Mr. Manilal Bhimshi Gala Mr. Pravin Bhimshi Gala
Sister/s	-	-	Mrs. Shantiben Dharmashi Savla Mrs. Champaben Thakarshi Karia Mrs. Diwaliben Punshi Satra Mrs. Amrutben Dhanji Nisar
Son/s	-	-	Mrs. Bharat Hemraj Gala Mr. Rajesh Hemraj Gala Mr. Kalpesh Hemraj Gala
Daughter/s	Ms. Kshitika Bharat Gala Ms. Manasvi Bharat Gala	Ms. Kshitika Bharat Gala Ms. Manasvi Bharat Gala	-
Daughter-in-Law	-	-	Mrs. Rita Bharat Gala Mrs. Mital Gala Mrs. Manjula Gala
Spouse's Father	Mr. Devshi Shah	Mr. Hemraj Bhimshi Gala	-
Spouse's Mother	Mrs. Amrutben Devshi Shah	Mrs. Amrutben Hemraj Gala	-
Spouse's Brother/s	Mr. Rahul Devshi Shah Mr. Chetan Devshi Shah	Mr. Rajesh Hemraj Gala Mr. Kalpesh Hemraj Gala	-
Spouse's Sister/s	-	-	-

**c. Companies, Firms, Entities and HUFs forming part of Promoter Group:**

<b>Sr. No.</b>	<b>Name of Entities</b>
1.	Lucky Plastics (Fort)
2.	Lucky Plastics (Andheri)
3.	Deepak Hardware Stores
4.	Hemraj Gala HUF
5.	BHARAT HEMRAJ GALA HUF
6.	Amadeep Garments Stores
7.	Kshitij E-Stores Ventures Private Limited
8.	Sparion Infrastructure Private Limited
9.	Lucky Plastics And Stationery Limited

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## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, please refer Risk Factor No. 27 under section titled "*Risk Factors*" beginning on Page No. 22 of this Letter of Offer.

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## SECTION VII – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Audited Standalone Financial Statements for FY 2023-24	F – 1 to F – 37
2.	Audited Consolidated Financial Statements for FY 2023-24	F – 38 to F – 53
3.	Audited Standalone Financial Statements for FY 2022-23	F – 54 to F – 75
4.	Audited Consolidated Financial Statements for FY 2022-23	F – 76 to F – 97



**VRCA & Associates**  
**CHARTERED ACCOUNTANTS**

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CA. Deepak Kulkarni  
CA. Krunal Brahmabhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
Kshitij Polyline Ltd

**Report on the Audit of the Standalone financial statements**

**Opinion**

We have audited the accompanying standalone Standalone financial statements of Kshitij Polyline Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Information Other than the Standalone financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Standalone financial statements and our auditor's report thereon. The



above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances & the applicable laws and regulations.

#### **Responsibilities of Management and Those Charged with Governance for the Standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures



that are appropriate in the circumstances. Under section 143(3)(1) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph (i) (vi) below on reporting under rule 11(g);
- c. the Balance Sheet, the Statement of Profit and loss Including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. on the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
- f. the observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).
- g. with respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";
- h. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to explanations given to us, Section 197 of the Act is complied,
- i. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company does not have any pending litigations which would impact its financial position;
  - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (iv)
    - (a) the management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee,



or the like on behalf of the Ultimate Beneficiaries;

- (b) the management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has not declared or paid any Dividend during the year and has not proposed final dividend for the year.
- (vi) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the company has not enabled the edit log facility throughout the year for all the transactions recorded in the software. We are unable to comment on the tampering of audit log for the reason stated above.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from the period April 1, 2023 reporting under Rule 11(g) of the Companies Act (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ending March 31, 2024.

For VRCA & Associates  
Chartered Accountants  
FRN No: 104727W



CA Krunal Brahmbhatt  
Partner  
Membership No. 150053  
UDIN: 24150053BKEPJT7377  
Place: Vadodara  
Date: 29.05.2024



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Kshitiij Polyline Ltd on the Standalone financial statements of the Company for the year ended March 31, 2024)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work in progress and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets to cover all
- (c) Assets within a period of three years, to be carried out at one time or split over a number of times, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment and right-of-use assets were physically verified by the Management during the year. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of immovable properties comprising of only Land and Building that have been taken on lease and disclosed as Right of Use Assets in the Standalone financial statements, the lease agreements are in the name of Company.
- (e) The Company has not revalued any Property, Plant and Equipment including Right of use Assets during the year and Intangible Assets during the year.
- (f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanation given to us, the coverage and procedure of such verification by management is appropriate having regard to the size of the Company and the nature of its operations. As explained to us, there were no discrepancies of 10% or more in aggregate for each class on physical verification of inventory as compared to the book records.  
(b) The Company has been sanctioned unsecured working capital limits in excess of Rs. 5 crores, however, as per sanction letters, the Company is not required to file quarterly returns/statements to the banks and therefore, reporting under clause (ii)(b) of the Order is not applicable to the Company.
- iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loan, secured or unsecured to companies, firms, Limited Liability partnership or any other parties during the year and hence reporting under clause (iii) of order is not applicable.
- iv. According to the information and explanation given to us, the company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of Section 185
- v. or 186 of Companies Act 2013 and hence reporting under clause (iv) of the order is not applicable.



- vi. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vii. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- viii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, income-tax, goods and services tax, cess, custom duty and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax, goods and services tax, cess and other statutory dues were in arrears, as at March 31, 2024 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of provident fund, income tax, duty of customs, goods and services tax and any other statutory dues which have not been deposited on account of any dispute.
- ix. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- x. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and therefore, reporting under clause (ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

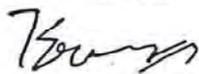


- (e) The Company has not raised any loans during the year and therefore reporting on clause 3(ix)(f) of the Order is not applicable.
- xi. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures and hence reporting under this clause is not applicable.
- xii. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the Management of the Company.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- xiii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiv. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with 188 of the Act where applicable and the details have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.
- xv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xvi. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvii. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvii)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us the Company has not conducted any non-banking financial or housing finance activities, therefore, reporting under clause (xvii) (b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.



- xviii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xix. There has been no resignation of the statutory auditors of the Company during the year.
- xx. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xxi. Based on the examination of records of the Company and information and explanation given to us, the Company is not required to spend any amount for Corporate Social Responsibility activity for FY 23-24 and therefore reporting under the clause 3(xx)(a) and (b) of the Order is not applicable for the year.
- xxii. The reporting under this clause is not applicable in respect of audit of standalone Standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report

For VRCA & Associates  
Chartered Accountants  
FRN No: 150053



CA Krunal Brahmbhatt  
Partner

Membership No.150053  
UDIN: 24150053BKEPJT7377  
Place: Vadodara  
Date:29.05.24



## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kshitij Polyline Ltd on the Standalone financial statements of even date)

### Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to Standalone financial statements of Kshitij Polyline Ltd ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone financial statements included obtaining an understanding of internal financial controls with reference to Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone financial statements.

#### Meaning of Internal Financial Controls with reference to Standalone financial statements

A company's internal financial controls with reference to Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting



principles. A company's internal financial controls with reference to Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

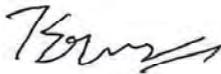
#### **Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial control with reference to Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to Standalone financial statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VRCA & Associates  
Chartered Accountants  
FRN No: 150053



CA Krunal Brahmhatt  
Partner  
Membership No.150053  
UDIN: 24150053BKEPJT7377  
Place: Vadodara  
Date: 29.05.24



**KSHITIJ POLYLINE LIMITED**

CIN:26209MH200BPLC180484

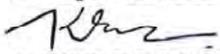
**(Standalone) Balance Sheet**

As on 31 March, 2024

Particular	Notes	(Rs. In Lakh)	
		As on March 31, 2024	As on March 31, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	5	1,003.03	1,079.16
Right of Use		34.13	51.19
<b>Financial Assets</b>			
Investments	6	222.03	10.00
Other Non current Financial Assets	7	285.04	290.84
	7A	296.39	296.39
Other non-current assets			
<b>Total non-current assets</b>		<b>1,840.62</b>	<b>1,727.59</b>
<b>Current assets</b>			
Inventories	8	1,390.10	1,559.65
<b>Financial Assets</b>			
Investment	6		
Trade receivables	9	244.08	582.46
Cash and cash equivalents	10	10.33	323.72
Other Financial Assets	11	1,375.63	527.11
Other Current assets	12	182.36	203.78
<b>Total current assets</b>		<b>3,202.49</b>	<b>3,196.72</b>
<b>TOTAL ASSETS</b>		<b>5,043.11</b>	<b>4,924.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	13	1,013.05	1,013.05
Other Equity	14	798.89	1,225.65
<b>Total equity</b>		<b>1,811.94</b>	<b>2,238.70</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		16.18	43.31
Long Term Borrowings	15	134.02	424.14
Provisions	18	32.45	27.23
Deferred Tax liabilities (Net)	19	49.10	44.01
<b>Total non-current liabilities</b>		<b>231.76</b>	<b>538.69</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		27.45	17.16
Short Term Borrowings		2,418.27	1,360.92
Trade Payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises			49.29
(b) Total outstanding dues of Creditors other than micro enterprises and small enterprises		257.03	246.92
Other financial liabilities	17	150.76	383.07
Provisions	18	51.15	19.67
Other Current liabilities	20	94.75	69.88
<b>Total current liabilities</b>		<b>2,999.42</b>	<b>2,146.92</b>
<b>Total Liabilities</b>		<b>3,231.17</b>	<b>2,685.61</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,043.11</b>	<b>4,924.31</b>
Significant accounting policies	4		

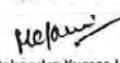
The notes referred to above form an integral part of these financial statements  
As per our report of even date attached

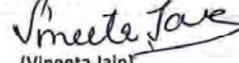
For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W

  
CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Place: Vadodara  
Date: 29/05/2024  
UDIN :24150053 BKEPJT7377



For and behalf of the Board of  
Kshitij Polyline Limited  
CIN:26209MH200BPLC180484

  
(Mahendra Kumar Jain)  
Director & CFO  
DIN:09765526

  
(Vineeta Jain)  
Whole time Director  
DIN:10481057



KSHITIJ POLYLINE LIMITED

CIN:26209MH200BPLC180484

## (Standalone) Statement of Profit and Loss

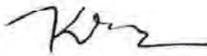
As on 31 March, 2024

(Amounts are in Lakh)

Particular	Notes	Year Ended	Year Ended
		March 31, 2024	March 31, 2023
<b>INCOME</b>			
Revenue From Operations	21	3,421.98	3,397.53
Other Income	22	576.34	10.67
<b>Total Income</b>		<b>3,998.32</b>	<b>3,408.20</b>
<b>Expenses</b>			
Cost Of Materials Consumed	23	3,168.50	2,328.24
Changes In Inventories Of Finished Goods & Work-In Progress	24	(317.84)	(43.80)
Employee Benefits Expense	25	573.91	527.20
Finance Costs	26	178.18	162.65
Depreciation And Amortisation Expense	27	116.97	127.50
Other Expenses	28	329.73	246.19
<b>TOTAL EXPENSES</b>		<b>4,049.46</b>	<b>3,347.99</b>
<b>Profit Before Exceptional Items And Income Tax</b>		<b>(51.14)</b>	<b>60.21</b>
<b>Exceptional Items</b>			
<b>Profit Before Tax</b>		<b>(51.14)</b>	<b>60.21</b>
Current Tax		-	17.93
Earlier Year Excess Provision Written Back			
Deferred Tax (credit) / Charge	19	5.10	5.78
<b>Income Tax Expense</b>		<b>5.10</b>	<b>23.71</b>
<b>Profit For The Year</b>		<b>(56.23)</b>	<b>36.50</b>
<b>Other Comprehensive Income Net Of Taxes</b>			
<b>Items That Will Not Be Reclassified Subsequently To Profit Or Loss</b>			
Remeasurement Of The Net Defined Benefit Liability / Asset		(0.72)	(2.03)
<b>Net Other Comprehensive Income Not To Be Reclassified Subsequently To Profit Or Loss</b>		<b>(0.72)</b>	<b>(2.03)</b>
<b>Total Comprehensive Income For The Year</b>		<b>(55.51)</b>	<b>38.53</b>
<b>Earnings Per Share:</b>			
Equity Shares Of Par Value ₹10 Each		5,06,52,330	5,06,52,330
Basic		(0.00)	0.00
Diluted			
Significant accounting policies	4		

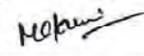
The notes referred to above form are an integral part of these financial statements  
As per our report of even date attached

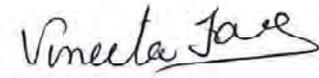
For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W

  
CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Date: 29/05/2023  
Place: Mumbai  
UDIN :24150053 BKEPJT7377



For and behalf of the Board of  
Kshitij Polyline Limited  
CIN:26209MH200BPLC180484

  
(Mahendra Kumar Jain)  
Director & CFO  
DIN:09765526

  
(Vineeta Jain)  
Whole time Director  
DIN:10481057

**KSHITIJ POLYLINE LIMITED**  
**CIN:26209MH200BPLC180484**

**(Standalone) Cash Flow Statement for the year ended March 31, 2024**

(Rs. in Lakh)

	As at 31st March, 2024	As at 31st March, 2023
<b>A. Cash flow from operating activities:</b>		
Profit/(loss) before tax	(56.23)	36.50
Adjustments for:		
Operating profit before working capital changes	(56.23)	36.50
Adjustments for:		
Other Non current Financial Assets	5.80	-
Other non-current assets	(0.00)	-
Depreciation	117.00	110.43
Inventories	169.55	(104.18)
Trade and Other Receivables	338.38	24.59
Other Financial Assets	(848.52)	-
Other Current assets	21.42	(1.67)
(Increase) / Decrease in Long Term Loans and Advances	-	52.32
(Increase) / Decrease in Short Term Loans and Advances	-	(123.66)
Lease Liabilities	(27.12)	-
Lease Liabilities	-	-
Total outstanding dues of micro enterprises and small enterprises	(49.29)	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	10.11	(85.44)
Other financial liabilities	(232.31)	-
Provisions	31.47	8.25
Other Current liabilities	25.88	(59.07)
Other adjustments	-	32.98
Cash (used in)/generated from operations	(493.86)	(108.95)
Income Tax Paid/Refund (Net)	(5.10)	(17.93)
Net cash (used in)/from operating activities	(498.95)	(126.88)
<b>B. Cash flow from investing activities:</b>		
Cash (used in)/from investing activities		
Property, plant and equipment	-	(73.51)
Right of Use	-	(147.16)
Investments	(212.03)	(230.00)
Cash (used in)/from investing activities	(212.03)	(450.67)
<b>C. Cash flow from financing activities:</b>		
Long Term Borrowings	(290.12)	-
Short Term Borrowings	1,057.35	504.61
Proceeds from fresh issue of share capital	(371.00)	371.25
Net cash (used in)/ from financing activities	396.23	875.86
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(314.75)	298.31
Cash and cash equivalents at beginning of the year	324.31	76.00
Cash and cash equivalents at end of the year	9.56	324.31

Previous year's figures have been reworked, regrouped and rearranged wherever necessary.

As per our Report of even date

**For VRCA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No: 104727W**

**CA KRUNAL BRAHMBHATT**  
**PARTNER**  
**M.NO: 150053**  
**Place: Vadodara**  
**Date: 29/05/2024**  
**UDIN : 24150053BKEPJT7377**



**For and behalf of the Board of**  
**Kshitij Polyline Limited**  
**CIN:26209MH200BPLC180484**

**(Mahendra Kumar Jain)**  
**Director & CFO**  
**DIN:09765526**

**(Vineeta Jain)**  
**Whole time Director**  
**DIN:10481057**

1. **Corporate information**

KSHITIJ POLYINE LIMITED ('The Company') is a public limited company Incorporated and domiciled in India. The address of its registered office is 417/418, Dimple Arcade, Near Sai Dham Temple, Asha Nagar, Thakur Complex, Kandivali (East), Mumbai, Mumbai City MH 400101 IN.

2. **Basis of preparation of Financial Statements**

These financial statements are in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities & Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant rules issued thereafter.

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

As the quarter and year figures are taken from the source and rounded to the nearest digit, the figures reported for the previous quarters might not always adopt to the yearend figures reported in these statements.

The Company's presentation and functional currency is Indian Rupees (H) and all values are rounded to the nearest digits.

3. **Use of Estimates**

The preparation of the Company's IndAS financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.



#### 4. Significant accounting policies

##### 4.1 Statement of Compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

##### 4.2 Going Concern

The board of directors have considered the financial position of the Company at 31st March, 2024 and projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course. The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

##### 4.3 Property, plant and equipment

###### Recognition and measurement

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes) after deducting trade discounts and rebates, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- e) Any gain or loss on disposal of an item of property, plant and equipment recognized in profit or loss.
- f) Major spare parts which meet the definition of property plant and equipment are capitalized as property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit & Loss on issue/consumption.
- g) Direct expenses incurred during construction period on capital projects are capitalised



The Company depreciates property, plant and equipment over their estimated useful lives using the straightline method. The estimated useful lives of assets are per rates prescribed under the Companies act.

#### 4.4 Capital work-in-progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

#### 4.5 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of investment property includes the cost of replacing parts and borrowing costs if the recognition criteria are met. When significant part of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. The Company's investment property consists only of land and hence depreciation thereon is not provided. The fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation performed by accredited external independent valuers. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in Statement of Profit and Loss in the period in which the property is derecognised."

#### 4.6 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Internally generated intangible assets Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- i. the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- ii. the intention to complete the intangible asset and use or sell it, the ability to use or sell the intangible asset,
- iii. how the intangible asset will generate probable future economic benefits
- iv. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- v. the ability to measure reliably the expenditure attributable to the intangible asset during its development



The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the Intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit and loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

#### 4.7 Depreciation

Depreciation on tangible fixed assets is provided using the Straight-Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale or disposal, as the case may be.

#### 4.8 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 4.9 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 4.10 Transaction in Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively)



#### 4.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

#### 4.12 Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss."

#### 4.13 De-recognition of financial assets and liabilities

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

#### 4.14 Trade receivables

Trade receivables are recognised initially at fair value unless they do not carry a significant financing component, in which case they are recognized at the transaction price. The Company generally determines the allowance for expected 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 the company deals with and the countries where it operates. 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.

#### 4.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### Trade payables

Trade payables are amounts due to vendors for purchase of goods in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

#### 4.16 Leases - Company as a lessee

##### Finance lease

Leases where the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

##### Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating lease. Operating lease payments are recognized as an expense on a straight line basis over the lease term unless the payments are structured to increase in line with the expected general inflation so as to compensate for the lessor's expected inflationary cost increases.

#### 4.17 Inventories

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses where considered necessary. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and appropriate proportion of variable and fixed overhead expenditure and also other costs incurred in bringing the inventories to their present location and condition. Overhead expenditures are being allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Non-production inventory (other than those supplied along with main plant and machinery, which are



capitalised and depreciated accordingly) are charged to profit or loss on consumption. Raw Materials and other items held for use in the production of Inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realisable Value whichever is lower. Saleable scrap is valued at the net realisable value."

#### 4.18 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods are net of applicable taxes, estimated returns and reduction/addition towards variable consideration includes discounts, rebates, incentives, promotional couponing and schemes. Advance received from customer before transfer of control of goods to the customer is recognised as Current Liabilities. The company estimates the amount of variable components based on historical, current and forecast information available and either expected value method or most likely method, as appropriate and records a corresponding liability in other payables; the actual amounts may be different from such estimates. These differences, which have historically not been significant, are recognized as a change in management estimate in a subsequent period. The revenue is recognized when the significant risks and rewards of ownership of goods are transferred to the buyer, recoverability of consideration is probable, the amount of revenue and cost incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing managerial involvement over the goods sold. Income from services is recognized when the services are rendered or when contracted milestones have been achieved. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned/ incurred, except those with significant uncertainties. Dividend Income from investment is recognized as and when received. Other Incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis. Claims made against the Company are evaluated as to type thereof, period for which they are outstanding and appropriate provisions made. Claims are stated net of recoveries from insurance companies and others. Administrative and other expenses are stated net of recoveries, wherever applicable."

#### 4.19 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred."



#### 4.20 Provisions and Contingencies

##### Provisions:

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 resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### Contingent Liabilities:

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

##### Contingent asset:

Contingent Assets is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefit is probable."

#### 4.23 Employees' Benefit

(a) Liabilities for wages and salaries, including nonmonetary 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.

b) Defined Contribution Plan: Monthly contribution to the provident fund which is under defined contribution schemes are charged to Statement of Profit & Loss and deposited with the provident fund authorities on monthly basis.



c) Defined Benefit Plans: Gratuities to employees are covered under the employees' group gratuity schemes and the premium is paid on the basis of their actuarial valuation using the projected unit credit method. Actuarial gain and losses net of deferred taxes arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise. Any short falls in case of premature resignation or termination to the extent not reimbursed by LIC is being absorbed in the year of payment.

d) Termination benefits are charged to the Statement of Profit and Loss in the year of accrual when the Company is committed without any possibility of withdrawal of an offer made to either terminate employment before the normal retirement date or as a result of an offer made to encourage voluntary retirement.



29. Financial Instruments - Fair value and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

March 31, 2024	Amortized Cost	Financial Assets / Liabilities at FVTPL	Financial Assets / Liabilities at FVTOCI	Total Carrying Value	Total Fair Value
Financial assets measured at amortized cost					
Trade Receivables	244.08	-	-	244.08	244.08
Cash and Cash Equivalent	10.33	-	-	10.33	10.33
Financial liabilities measured at amortized cost					
Borrowings	2,552.29	-	-	2,552.29	2,552.29
Trade Payables	257.03	-	-	257.03	257.03
Lease Liabilities	16.18	-	-	16.18	16.18
Other Financial Liabilities	150.76	-	-	150.76	150.76

March 31, 2023	Amortized Cost	Financial Assets / Liabilities at FVTPL	Financial Assets / Liabilities at FVTOCI	Total Carrying Value	Total Fair Value
Financial assets measured at amortized cost					
Trade Receivables	582.46	-	-	582.46	582.46
Cash and Cash Equivalent	323.72	-	-	323.72	323.72
Financial liabilities measured at amortized cost					
Borrowings	1,785.07	-	-	1,785.07	1,785.07
Trade Payables	296.22	-	-	296.22	296.22
Lease Liabilities	60.47	-	-	60.47	60.47
Other Financial Liabilities	383.07	-	-	383.07	383.07



## B Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- a. Credit Risk
- b. Liquidity Risk
- c. Market Risk

### i. Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

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 Company's 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.

### ii. 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 trade receivables, certain loans and advances and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk for trade and other receivables are as follows:

Particulars	Carrying amount as on March 31, 2024	Carrying amount as on March 31, 2023
Trade Receivables	244.08	582.46
Cash and Cash Equivalents	10.33	323.72

### iii. 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.

- iv. Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is not exposed to market risk primarily related to foreign exchange rate risk (currency risk). It however is exposed to interest rate risk. Thus the Company's exposure to market risk is just a function of borrowing activities as it doesn't have any transactions in foreign currency which leads to currency risk.

30 Contingent liabilities and commitments (to the extent not provided for): None

31 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As on March 31, 2024	As on March 31, 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	49.29
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

There are no Micro and Small Enterprises, to whom the Company owes dues as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

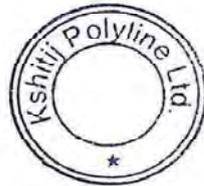


32 Related party disclosures

Particulars	Type of Relationship	Nature of Transaction	Amount (Rs.In Lacs)	Amount (Rs.In Lacs)
			FY 2023-2024	FY 2022-23
Bharat H. Gala	Promoter & Director	Loan Received	115.29	156.99
Bharat H. Gala	Promoter & Director	Loan Repayment	115.29	156.99
Bharat H. Gala	Promoter & Director	Expenses Reimbursement	9.96	70.94
Rita B. Gala	Promoter & Director	Expenses Reimbursement	-	44.26
Manasvi B. Gala	Relative of Director	Loan Received	-	0.45
Manasvi B. Gala	Relative of Director	Loan Repayment	-	0.45
Hemraj Gala	Promoter	Loan Received	10.00	67.23
Hemraj Gala	Promoter	Loan Repayment	10.00	67.23
Rajul Visaria	Director	Remuneration	0.60	0.60
Rajesh Gala	Director	Loan Received	-	0.38
Rajesh Gala	Director	Loan Repayment	-	0.38
Rushiraj Patel	Director	Remuneration	0.60	0.60
Mayur Thakar	Director	Remuneration	0.60	-
Ruhini Chakraborty	Director	Remuneration	0.40	-
Kshitij E-Store Ventures Private Limited	Subsidiary Company	Share Investment	-	10.00
Kshitij E-Store Ventures Private Limited	Subsidiary Company	Loan Received	44.50	-
Kshitij E-Store Ventures Private Limited	Subsidiary Company	Loan Repayment	7.60	-
Kshitij E-Store Ventures Private Limited	Subsidiary Company	Sale of Goods	85.54	-
Kshitij E-Store Ventures Private Limited	Subsidiary Company	Purchase of Goods	1.67	-
Lucky Plastic	Associate Firm	Loan Received	1154.73	267.67
Lucky Plastic	Associate Firm	Loan Repayment	298.84	376.94
Lucky Plastic	Associate Firm	Commission Paid	12.94	10.98
Lucky Plastic	Associate Firm	Purchase of Goods	62.89	133.97
Lucky Plastic	Associate Firm	Sale of Goods	183.96	404.79



Lucky Plastic	Associate Firm	Rent Received	9.03	0.18
Lucky Plastic	Associate Firm	Interest Received	446.99	40.22
Manisha Chordia	Director	Remuneration	24.00	14.00
Manisha Chordia	Director	Rent Paid	9.60	-
Mahendra Kumar Jain	Director	Salary	18.00	5.25
Vineeta Jain	Director	Salary	1.70	-
Sparion Infrastructure Pvt. Ltd.	Subsidiary Company	Loan Given	1116.40	-
Sparion Infrastructure Pvt. Ltd.	Subsidiary Company	Loan Received	347.32	-
Sparion Infrastructure Pvt. Ltd.	Subsidiary Company	Interest Received	89.94	-
Sparion Infrastructure Pvt. Ltd.	Subsidiary Company	Purchase of Goods	0.90	-
Bharat Gala	Director	Salary	12.00	24.00
Devyani Maheshwari	Company Secretary	Salary	1.56	-
Nishi Khushwaha	Company Secretary	Salary	-	1.98
Rajat Manjrekar	Company Secretary	Salary	0.50	0.35
Forum Shah	Relative of Director	Salary	1.82	0.41
Manasvi Gala	Relative of Director	Salary	2.40	4.00
Manjula Rajesh Gala	Relative of Director	Salary	-	3.50
Rahul Ramesh Shah	Chief Financial Officer	Salary	4.83	3.33
Manisha Dedhia	Chief Financial Officer	Salary	1.07	2.64
Rita Gala	Director	Salary	5.40	10.90



## Notes on (Standalone) Financial Statements

As on 31 March, 2024  
 5 Property, plant and equipment

Reconciliation of carrying amount

(Rs. in Lakh)

Particular	COMPUTERS	BUILDING	FURNITURE & FIXTURES	PLANT & MACHINERY	OFFICE EQUIPMENT	VEHICLES	LAND	Total
<b>Gross Carrying Amount</b>								
Balance at 1 April 2022	45.69	359.47	122.04	1,258.46	29.83	42.60	156.23	2,014.33
Additions	4.85	10.99	0.59	59.87	7.85	0.39	-	84.54
Deposits	0.11	-	3.50	6.39	1.02	-	-	11.02
Balance at 31 March 2023	50.43	370.46	119.14	1,311.94	36.55	42.99	156.23	2,087.84
Additions	1.96	4.85	0.81	91.14	5.02	-	-	103.78
Deposits	-	-	-	-	-	-	80.00	80.00
Balance at 31 March 2024	52.39	375.31	119.94	1,403.08	41.57	42.99	76.23	2,111.62
<b>Accumulated depreciation</b>								
Balance at 31 March 2022	33.87	144.66	67.88	606.24	13.94	31.65	-	898.25
Balance at 1 April 2022	33.87	144.66	67.88	606.24	13.94	31.65	-	898.25
Depreciation for the year	8.51	20.91	14.09	54.79	8.61	3.53	-	110.43
Balance at 31 March 2023	42.38	165.57	81.97	661.03	22.55	35.18	-	1,008.68
Depreciation for the year	5.53	19.82	9.76	54.38	7.99	2.44	-	99.91
Balance at 31 March 2024	47.90	185.39	91.73	715.41	30.54	37.61	-	1,108.59
<b>Carrying amount (net)</b>								
As at 31 March 2023	8.05	204.89	37.16	650.91	14.10	7.81	156.23	1,079.16
As at 31 March 2024	4.49	189.92	28.22	687.67	11.14	5.37	76.23	1,001.03

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## Notes on (Standalone) Financial Statements

As on 31 March, 2024

### 6 Investments

(Rs. in Lakh)

Particular	As on	As on
	March 31, 2024	March 31, 2023
<b>Investments in Subsidiaries</b>		
<b>Equity Instruments</b>		
<b>At amortised cost</b>		
Face Value of Rs. 10 each fully paid up		
- Kshitij E Stores Ventures Private Limited	10.00	10.00
- Sparion Infrastructure Private Limited	212.03	
<b>Total</b>	<b>222.03</b>	<b>10.00</b>

### 7 Other non-current financial assets

Particular	As on	As on
	March 31, 2024	March 31, 2023
Deposit with Banks (with more than 12 months of original maturity)	283.22	275.68
Security Deposits - Unsecured	1.83	15.16
<b>Total</b>	<b>285.04</b>	<b>290.84</b>

### 7A Other non-current assets

Particular	As on	As on
	March 31, 2024	March 31, 2023
<b>Unsecured, Considered good</b>		
Capital Advances	296.39	296.39
<b>Total</b>	<b>296.39</b>	<b>296.39</b>

### 8 Inventories

Particular	As on	As on
	March 31, 2024	March 31, 2023
<b>Valued at lower of cost and net realizable value</b>		
Raw Materials		487.39
Packing Material		188.72
Work in Process		141.15
Finished Goods	1,390.10	742.40
<b>Total</b>	<b>1,390.10</b>	<b>1,559.65</b>

### 9 Trade Receivable

Particular	As on	As on
	March 31, 2024	March 31, 2023
Trade Receivable	244.08	582.46

*K. K. K.*

*[Signature]*

**KSHITIJ POLYINE LIMITED**

CIN:26209MH200BPLC180484

## Notes on (Standalone) Financial Statements

As on 31 March, 2024

### 10 Cash and cash equivalents

(Rs. in Lakh)

Particular	As on March 31, 2024	As on March 31, 2023
<b>Cash and cash equivalents</b>		
Cash on hand	8.34	7.02
Balances with Bank		
In Current Account	1.98	316.70
months or less		
<b>Total</b>	<b>10.33</b>	<b>323.72</b>

*Hafani*

*[Signature]*

**KSHITIJ POLYINE LIMITED**

CIN:26209MH2008PLC180484

**Notes on (Standalone) Financial Statements**

As on 31 March, 2024

**11 Other Financial Assets**

(Rs. in Lakh)

Particular	As on March 31, 2024	As on March 31, 2023
In Fixed Deposit Accounts with original maturity of more than 3 months but upto 12 months		1.04
Other Receivables	490.38	495.90
Inter corporate deposit	853.40	
Loan to Staff	31.85	30.17
<b>Total</b>	<b>1,375.63</b>	<b>527.11</b>

**12 Other current assets**

Particular	As on March 31, 2024	As on March 31, 2023
Prepaid Expenses	10.10	64.13
Balance with Statutory Authorities	114.71	25.32
MAT Credit Entitlement	3.48	3.48
Advance to suppliers	54.06	110.84
<b>Total</b>	<b>182.36</b>	<b>203.78</b>

**13 Share Capital**

Particular	As on March 31, 2024		As on March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Authorized Share capital</b>				
Equity shares of Rs 2/- each (Rs. 10 each for Year ended March 31, 2022)	10,00,00,000	2,000.00	1,05,00,000	1,050.00
	10,00,00,000	2,000.00	1,05,00,000	1,050.00
<b>Issued, subscribed and fully paid-up Share Capital</b>				
Equity shares of Rs 2/- each (Rs. 10 each for Year ended March 31, 2022)	5,06,52,330	1,013.05	1,01,30,466	1,013.05
<b>Total</b>	<b>5,06,52,330</b>	<b>1,013.05</b>	<b>1,01,30,466</b>	<b>1,013.05</b>

**14 Other Equity**

Rs. in Lakh

Particular	As on March 31, 2024			
	Securities Premium	Retained Earnings	Money Received against Share	Total
Balance at the beginning of the reporting period	568.81	285.60	0.00	854.41
Add: Total Comprehensive Income for the year				
Add: Amount received during the year		(55.51)	(0.00)	(55.51)
<b>Total</b>	<b>568.81</b>	<b>230.09</b>	<b>-</b>	<b>798.89</b>

Particular	As on March 31, 2023			
	Securities Premium	Retained Earnings	Money Received against Share warrant	Total
Balance at the beginning of the reporting period	568.81	247.07		815.87
Add: Total Comprehensive Income for the year				
Add: Amount received during the year		38.53	371.25	409.78
<b>Total</b>	<b>568.81</b>	<b>285.60</b>	<b>371.25</b>	<b>1,225.65</b>

KSHITIJ POLYINE LIMITED

CIN:26209MH200BPLC180484

## Notes on (Standalone) Financial Statements

As on 31 March, 2024

### 15 Borrowings

(Rs. in Lakh)

Particular	As on March 31,	As on March 31,
	2024	2023
Term Loans		
- From Banks and Financial Institution	1,231.06	764.49
Non-current	134.02	424.14
Current	955.54	340.34
- From Other Parties	1,462.74	503.03
Non-current		-
Current	1,462.74	503.03
Loans repayable on demand		
- From Banks		857.89
Non-current		-
Current		857.89

Note:

### 16 Trade payables

Particular	As on March 31,	As on March 31,
	2024	2023
Trade payables to related parties		
Total outstanding dues of micro enterprises and small enterprises		49.29
Total outstanding dues of creditors other than micro enterprises and small enterprises	257.03	246.92
Total	257.03	296.22

Note:

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KSHITIJ POLYINE LIMITED

CIN:26209MH200BPLC180484

## Notes on (Standalone) Financial Statements

As on 31 March, 2024

17 Other financial liabilities		Rs. in Lakh	
Particular	As on March 31, 2024	As on March 31, 2023	
Security deposits from Distributors	9.26	9.26	
Current Maturities of Long Term Debt	141.50	340.34	
Other financial liabilities		33.47	
	150.76	383.07	
Non-current			
Current	150.76	383.07	
<b>Total</b>			
18 Provisions			
Particular	As on March 31, 2024	As on March 31, 2023	
Provision for Income tax		18	
Provision for Expenses	49.15		
Payable for employee benefits	34.45	28.98	
Non-current	32.45	27.23	
Current	51.15	19.67	
<b>Total</b>			
19 Deferred tax liabilities (net)			
Particular	As on March 31, 2024	As on March 31, 2023	
As at the start of the year	44.01	38.23	
Charge / (credit ) to Statement of profit and loss	5.10	5.78	
At the end of the year	49.10	44.01	



KSHITIJ POLYINE LIMITED

CIN:26209MH200BPLC180484

## Notes on (Standalone) Financial Statements

As on 31 March, 2024

### 20 Other current liabilities

Particular	Rs. In Lakh	
	As on March 31, 2024	As on March 31, 2023
Statutory liabilities	22.13	22.77
Advance from Customers	72.63	47.11
<b>Total</b>	<b>94.75</b>	<b>69.88</b>

### 21 Revenue from operations

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Sale of products	3,421.98	3,397.53
<b>Total revenue from operations</b>	<b>3,421.98</b>	<b>3,397.53</b>

### 22 Other Income

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Duty Drawback	0.71	0.62
Other Income	0.71	(1.36)
Rental Income	7.65	
Share Warrant forfeiture	132.00	
Foreign Exchange Fluctuation	0.02	0.75
Interest Income	420.84	
Interest on FD	14.41	10.66
<b>Total</b>	<b>576.34</b>	<b>10.67</b>

### 23 Cost of materials consumed

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
<b>Raw material</b>		
Opening Stock of Raw Materials	487.39	427.01
Add : Purchases made during the year	2,534.24	2,346.11
Less : Closing Stock of Raw Materials	-	(487.39)
	<b>3,021.63</b>	<b>2,285.73</b>
<b>Carrage inward</b>		
Packing materials	21.57	8.97
Agency charges	0.25	0.29
Transport charges	29.12	2.06
Certification Charges	0.13	0.55
Clearing & Forwarding charges	0.19	6.77
Other Charges	95.63	23.89
<b>Total</b>	<b>3,168.50</b>	<b>2,328.24</b>

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KSHITIJ POLYINE LIMITED

CIN:26209MH2008PLC180484

## Notes on (Standalone) Financial Statements

As on 31 March, 2024

### 24 Changes in Inventories of finished goods & work-in progress

Rs. in Lakh

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Inventories at the beginning of the year		
Finished goods	742.40	717.56
Packing Material	188.72	177.60
Work in progress	141.15	133.30
	1,072.26	1,028.46
Inventories at the end of the year		
Finished goods	1,390.10	742.40
Packing Material		188.72
Work in progress		141.15
	1,390.10	1,072.26
(Increase)/Decrease in Inventories		
Finished goods	(647.71)	(24.83)
Packing Material	188.72	(11.12)
Work in progress	141.15	(7.85)
(Increase)/Decrease in Inventories	(317.84)	(43.80)

### 25 Employee benefits

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Salary, Wages and Allowances	470.54	292.55
Director's Remuneration	26.20	21.20
Contribution to Provident Fund and other funds	18.39	10.72
Gratuity Expense	8.97	5.31
Staff Welfare Expenses	(0.80)	16.96
Bonus	14.98	
Contractor Labour Charges	35.62	180.46
Maharashtra Labour Welfare Fund		
Total	573.91	527.20

### 26 Finance costs

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Interest expenses	163.38	145.66
Interest on Lease Liabilities	5.83	7.48
Bank Charges	8.98	7.63
Other bank charges		1.88
Total	178.18	162.65

### 27 Depreciation expense

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Amortization of Right to Use	17.06	17.06
Depreciation of property, plant and equipment	99.91	110.43
	116.97	127.50

**KSHITIJ POLYINE LIMITED**

CIN:26209MH200BPLC180484

**Notes on (Standalone) Financial Statements**

As on 31 March, 2024

**28 Other expense**

Rs. in Lakh

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Electricity Expenses	112.03	91.08
Repair & Maintenance	0.75	11.33
Remuneration to Auditors	3.50	1.50
Legal and Professional Fees	43.40	14.78
Travelling & Conveyance	7.45	5.97
Vehicle Expense	2.15	
Convenience Fees	0.06	
Carriage outward	0.11	
Cleaning Expense	4.42	
Lodging and Boarding Expenses	1.05	1.09
Rent, Rates & Taxes	6.15	3.92
Insurance Expenses	7.24	5.70
Petrol and Diesel Expenses		18.16
Computer, Website & Software Expenses	3.13	6.86
Postage and Telephone Expenses & internet Expenses	5.54	4.42
Security Charges	2.44	
GST Expense	4.14	
Credit Card Expense	(0.51)	
Membership and License	0.43	
Packing and Forwarding	(0.05)	
Commission	2.06	10.99
Office Expenses	1.76	2.29
Shares Related Expenses	31.87	7.18
Advertisements and Sales Promotion Expense	19.25	27.10
Municipal Taxes	2.94	2.75
Other Expenses	27.53	10.93
Weighing A/c	0.07	
Petrol & Diesel Expenses	14.92	
Freight & Insurance	0.53	
Canteen Expenses	0.05	
Medical Expenses	0.31	
Refreshment Expenses	18.87	
Recruitment Expenses	0.73	
Processing Fees	0.03	
Fine on Delay Custom Clearance	0.40	
Round off	0.00	
Interest and Penalty under Income Tax	0.04	
Water Charges		0.07
Credit Card Expenses		0.26
Contract and Penal charges		1.44
Printing & Stationery	3.87	2.04
Discount Allowed		11.98
Stamp Duty and Registration Charges	1.04	0.28
Late Payment Charges	0.02	0.43
Toll Tax	0.02	0.68
Bonus Issue Expenses		2.80
Stock Audit Fees		0.16
<b>Total</b>	<b>329.73</b>	<b>246.19</b>



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CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

**TO THE BOARD OF DIRECTORS OF  
KSHITIJ POLYLINE LIMITED**

We have audited the accompanying Statement of Consolidated quarterly financial results of KSHITIJ POLYLINE LIMITED ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 31.03.2024 and the year to date results for the period 01.04.2023 to 31.03.2024, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results :

- i. Includes the results of the following entities:

List of subsidiaries:

- a. KSHITIJ E-STORE VENTURES PRIVATE LIMITED  
b. SPARION INFRASTRUCTURE PRIVATE LIMITED

- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter ended 31.03.2024 as well as the year-to-date results for the period 01.04.2023 to 31.03.2024

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Managements responsibilities for the Consolidated Financial Results**





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CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

### Managements responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year-to-date consolidated financial results have been prepared on the basis of the interim financial statements. The Parent's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit / loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, the Board of Directors are responsible for assessing the Groups ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

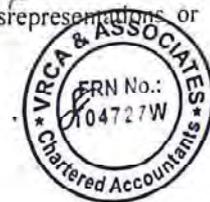
The respective Board of Directors of the Companies are also responsible for overseeing the Groups financial reporting process.

### Auditors Responsibilities for the Audit of Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





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CA. Vidhi Devani

CA. Akshay Shah

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

The consolidated Financial Results include the audited Financial Results of two subsidiaries, whose interim financial statements/financial results/financial information reflect Group's Share of total assets of Rs.7,437 Lakh as at 31st March, 2024, Group's Share of total revenues of Rs. 6,619 Lakh, total comprehensive profit of Rs. 162 Lakh for the period from 01.04.2023 to 31.03.2024 as considered in the consolidated financial results, which have been audited by their respective independent auditors.





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CA. Vidhi Devani

CA. Akshay Shah

For VRCA & Associates  
Chartered Accountants  
FRN No: 104727W

CA Krunal Brahmhatt  
Partner

Membership No. 150053  
UDIN: 24150053BKEPJW4693  
Place: Vadodara  
Date: 29.05.2024



**KSHITIJ POLYLINE LIMITED**

CIN:26209MH200BPLC180484

**Consolidated Balance Sheet**

As on 31 March, 2024

(Rs. in Lakh)

Particular	Notes	As on March 31, 2024	As on March 31, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	5	2,030.28	1,079.16
Capital Work in Progress		99.93	
Right of Use		34.13	51.19
Goodwill on consolidation		125.00	
<b>Financial Assets</b>			
Investments	6	-	-
Other Non-current Financial Assets	7	390.04	290.84
Other non-current assets	7A	323.49	296.39
<b>Total non-current assets</b>		<b>3,002.87</b>	<b>1,717.59</b>
<b>Current assets</b>			
Inventories	8	1,390.45	1,559.65
<b>Financial Assets</b>			
Investment	6		
Trade receivables	9	1,083.48	582.46
Cash and cash equivalents	10	63.84	333.72
Other Financial Assets	11	1,675.92	527.11
Other Current assets	12	220.10	203.78
<b>Total current assets</b>		<b>4,433.78</b>	<b>3,206.72</b>
<b>TOTAL ASSETS</b>		<b>7,436.66</b>	<b>4,924.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	13	1,013.05	1,013.05
Other Equity	14	1,016.44	1,225.65
<b>Total equity</b>		<b>2,029.49</b>	<b>2,238.70</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		16.18	43.31
Long Term Borrowings	15	1,625.69	424.14
Provisions	18	32.45	27.23
Deferred Tax liabilities (Net)	19	49.43	44.01
<b>Total non-current liabilities</b>		<b>1,723.76</b>	<b>538.69</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		27.45	17.16
Short Term Borrowings	15	2,770.68	1,360.92
Trade Payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises			49.29
(b) Total outstanding dues of Creditors other than micro enterprises and small enterprises		477.64	246.92
Other financial liabilities	17	150.76	383.07
Provisions	18	126.23	19.67
Other Current liabilities	20	130.91	69.88
<b>Total current liabilities</b>		<b>3,683.68</b>	<b>2,146.92</b>
<b>Total Liabilities</b>		<b>5,407.43</b>	<b>2,685.61</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,436.92</b>	<b>4,924.31</b>
Significant accounting policies	4		

The notes referred to above form are an integral part of these financial statements  
As per our report of even date attached

For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W

*[Signature]*

CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Place: Vadodara  
Date: 29/05/2024  
UDIN:Z4150053BKEPJV3447



For and behalf of the Board of  
Kshitij Polyline Limited  
CIN:26209MH200BPLC180484



*[Signature]*  
(Mahendra Kumar Jain)  
Director & CFO  
DIN:09765526

*[Signature]*  
(Vineeta Jain)  
Whole time Director  
DIN:10481057

KSHITIJ POLYLINE LIMITED  
CIN:26209MH200BPLC180484

## Consolidated Statement of Profit and Loss

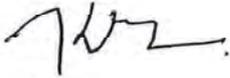
As on 31 March, 2024

(Rs. In Lakh)

Particular	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>INCOME</b>			
Revenue From Operations	21	5,940.40	3,397.53
Other Income	22	678.89	10.67
<b>Total Income</b>		<b>6,619.29</b>	<b>3,408.20</b>
<b>Expenses</b>			
Cost Of Materials Consumed	23	5,405.22	2,328.24
Changes In Inventories Of Finished Goods & Work-In Progress	24	(318.19)	(43.80)
Employee Benefits Expense	25	581.98	527.20
Finance Costs	26	217.98	162.65
Depreciation And Amortisation Expense	27	116.97	127.50
Other Expenses	28	380.58	246.19
<b>TOTAL EXPENSES</b>		<b>6,384.55</b>	<b>3,347.99</b>
<b>Profit Before Exceptional Items And Income Tax</b>		<b>234.74</b>	<b>60.21</b>
<b>Exceptional Items</b>			
<b>Profit Before Tax</b>		<b>234.74</b>	<b>60.21</b>
Current Tax		68.48	17.93
Earlier Year Excess Provision Written Back			
Deferred Tax (credit) / Charge	19	4.95	5.78
<b>Income Tax Expense</b>		<b>73.43</b>	<b>23.71</b>
<b>Profit For The Year</b>		<b>161.32</b>	<b>36.50</b>
<b>Other Comprehensive Income Net Of Taxes</b>			
<b>Items That Will Not Be Reclassified Subsequently To Profit Or Loss</b>			
Remeasurement Of The Net Defined Benefit Liability / Asset		(0.72)	(2.03)
<b>Net Other Comprehensive Income Not To Be Reclassified Subsequently To Profit Or Loss</b>			
		(0.72)	(2.03)
<b>Total Comprehensive Income For The Year</b>		<b>162.04</b>	<b>38.53</b>
<b>Earnings Per Share:</b>			
Equity Shares Of Par Value ₹2 Each		5,06,52,330	5,06,52,330
Basic		0.32	0.08
Diluted			
Significant accounting policies	4		

The notes referred to above form are an integral part of these financial statements  
As per our report of even date attached

For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W



CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Date: 29/05/2024  
Place: Mumbai  
UDIN:24150053BKEPJV3447



For and behalf of the Board of  
Kshitij Polyline Limited  
CIN:26209MH200BPLC180484



  
(Mahendra Kumar Jain)  
Director & CFO  
DIN:09765526

  
(Vineeta Jain)  
Whole time Director  
DIN:10481057

**KSHITIJ POLYLINE LIMITED**  
**CIN:26209MH200BPLC180484**

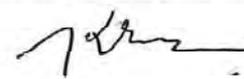
**(Consolidated) Cash Flow Statement for the year ended March 31, 2024**

**(Rs. In Lakh)**

	As at 31st March, 2024	As at 31st March, 2023
<b>A. Cash flow from operating activities:</b>		
Profit/(loss) before tax	231.45	36.50
Adjustments for:		
Operating profit before working capital changes	231.45	36.50
Adjustments for:		
Other Non current Financial Assets	5.80	-
Other non-current assets	-0.00	-
Depreciation	117.00	110.43
Inventories	169.20	-104.18
Trade and Other Receivables	-21.53	24.59
Other Financial Assets	-1,166.85	-
Other Current assets	20.42	-1.67
(Increase) / Decrease in Long Term Loans and Advances	-	52.32
(Increase) / Decrease in Short Term Loans and Advances	-	-123.66
Lease Liabilities	-27.12	-
Lease Liabilities	-	-
Total outstanding dues of micro enterprises and small enterprises	-49.29	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	55.23	-85.44
Other financial liabilities	-232.31	-
Provisions	31.47	8.25
Other Current liabilities	25.88	-59.07
Other adjustments	12.00	32.98
<b>Cash (used in)/generated from operations</b>	<b>-828.65</b>	<b>-108.95</b>
Income Tax Paid/Refund (Net)	-4.70	-17.93
<b>Net cash (used in)/from operating activities</b>	<b>-833.34</b>	<b>-126.88</b>
<b>B. Cash flow from investing activities:</b>		
<b>Cash (used in)/from investing activities</b>		
Property, plant and equipment	-845.09	-73.51
Goodwill on Consolidation	-125.00	-
Deposits Given	-50.00	-
Right of Use Investments	-	-147.16
Investments	-212.00	-230.00
<b>Cash (used in)/from investing activities</b>	<b>-1,232.09</b>	<b>-450.67</b>
<b>C. Cash flow from financing activities:</b>		
Long Term Borrowings	823.46	-
Short Term Borrowings	1,343.01	504.61
Proceeds from fresh issue of share capital	-371.00	381.25
<b>Net cash (used in)/ from financing activities</b>	<b>1,795.47</b>	<b>885.86</b>
<b>Net (decrease)/increase in cash and cash equivalents (A + B + C)</b>	<b>-269.97</b>	<b>308.31</b>
Cash and cash equivalents at beginning of the year	334.31	26.00
Cash and cash equivalents at end of the year	64.34	334.31

Previous year's figures have been reworked, regrouped and rearranged wherever necessary.  
As per our Report of even date

**For VRCA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No: 104727W**

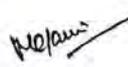


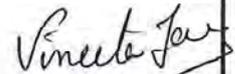
**CA KRUNAL BRAHMBHATT**  
**PARTNER**  
**M.NO: 150053**  
**Place: Vadodara**  
**Date: 29/05/2024**  
**UDIN : 24150053BKEPJV3447**



**For and behalf of the Board of**  
**Kshitij Polyline Limited**  
**CIN:26209MH200BPLC180484**



  
**(Mahendra Kumar Jain)**  
**Director & CFO**  
**DIN:09765526**

  
**(Vineeta Jain)**  
**Whole time Director**  
**DIN:10481057**

**Notes on Financial Statements**

As on 31 March, 2024

**5 Property, plant and equipment****Reconciliation of carrying amount**

(Rs. in Lakh)

Particular	COMPUTERS	BUILDING	FURNITURE & FIXTURES	PLANT & MACHINERY	OFFICE EQUIPMENT	VEHICLES	LAND	Total
<b>Gross Carrying Amount</b>								
Balance at 1 April 2022	45.69	359.47	177.04	1,258.46	29.83	42.60	156.73	2,019.83
Additions	4.85	10.99	0.59	59.87	7.85	0.39	-	84.54
Disposals	0.11	-	3.50	6.39	1.02	-	-	11.02
Balance at 31 March 2023	50.43	370.46	174.14	1,311.94	36.65	42.99	156.73	2,087.64
Additions	1.90	4.85	0.81	91.14	5.02	-	1,027.25	1,131.03
Disposals	-	-	-	-	-	-	80.00	80.00
Balance at 31 March 2024	52.33	375.31	174.94	1,403.08	41.67	42.99	1,107.48	3,138.87
<b>Accumulated depreciation</b>								
Balance at 31 March 2022	33.87	144.66	67.88	606.24	13.94	31.62	-	898.25
Balance at 1 April 2022	33.87	144.66	67.88	606.24	13.94	31.62	-	898.25
Depreciation for the year	8.51	20.91	14.09	54.79	8.61	9.53	-	110.43
Balance at 31 March 2023	42.38	165.57	81.97	661.03	22.55	35.18	-	1,008.68
Depreciation for the year	5.33	19.82	9.76	54.38	7.92	2.44	-	99.71
Balance at 31 March 2024	47.71	185.39	91.73	715.41	30.47	37.62	-	1,108.59
<b>Carrying amount (net)</b>								
As at 31 March 2023	8.05	204.89	37.16	650.91	14.10	7.81	156.73	1,079.16
As at 31 March 2024	4.62	189.92	28.22	687.67	11.20	5.37	1,107.48	2,030.28

**KSHITIJ POLYINE LIMITED**

CIN:26209MH200BPLC180484

**Notes on Financial Statements**

As on 31 March, 2024

**6 Investments**

(Rs. In Lakh)

Particular	As on	As on
	March 31, 2024	March 31, 2023
<b>Investments in Subsidiaries</b>		
<b>Equity Instruments</b>		
<b>At amortised cost</b>		
Face Value of Rs. 10 each fully paid up		
- Kshitij E Stores Ventures Private Limited		-
- Sparlon Infrastructure Private Limited		
<b>Total</b>		

**7 Other non-current financial assets**

Particular	As on	As on
	March 31, 2024	March 31, 2023
Deposit with Banks (with more than 12 months of original maturity)	283.22	275.68
Other Non Current Financial Assets	105.00	
Security Deposits - Unsecured	1.83	15.16
<b>Total</b>	<b>390.04</b>	<b>290.84</b>

**7A Other non-current assets**

Particular	As on	As on
	March 31, 2024	March 31, 2023
<b>Unsecured, Considered good</b>		
Capital Advances	323.49	296.39
<b>Total</b>	<b>323.49</b>	<b>296.39</b>

**8 Inventories**

Particular	As on	As on
	March 31, 2024	March 31, 2023
<b>Valued at lower of cost and net realizable value</b>		
Raw Materials		487.39
Packing Material		188.72
Work in Process		141.15
Finished Goods	1,390.45	742.40
<b>Total</b>	<b>1,390.45</b>	<b>1,559.65</b>

**9 Trade Receivable**

Particular	As on	As on
	March 31, 2024	March 31, 2023
Trade Receivable	1,083.48	582.46

CIN:26209MH200BPLC180484

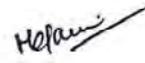
## Notes on Financial Statements

As on 31 March, 2024

### 10 Cash and cash equivalents

(Rs. in Lakh)

Particular	As on March 31, 2024	As on March 31, 2023
<b>Cash and cash equivalents</b>		
Cash on hand	10.41	7.02
Balances with Bank		
In Current Account	53.42	326.70
months or less		
<b>Total</b>	<b>63.84</b>	<b>333.72</b>



KSHITIJ POLYINE LIMITED

CIN:26209MH2000PLC180484

## Notes on Financial Statements

As on 31 March, 2024

### 11 Other Financial Assets

(Rs. in Lakh)

Particular	As on March 31,	
	2024	31, 2023
In Fixed Deposit Accounts with original maturity of more than 3 months but upto 12 months		1.04
Other Receivables	490.38	495.90
Inter corporate deposit	853.40	
Loan to others	298.59	
Loan to Staff	33.55	30.17
<b>Total</b>	<b>1,675.92</b>	<b>527.11</b>

### 12 Other current assets

Particular	As on March 31,	
	2024	31, 2023
Prepaid Expenses	10.10	64.13
Balance with Statutory Authorities	122.45	25.32
Other Current Asset	30.00	
MAT Credit Entitlement	3.48	3.48
Advance to suppliers	54.06	110.84
<b>Total</b>	<b>220.10</b>	<b>203.78</b>

### 13 Share Capital

Particular	As on March 31, 2024		As on March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Authorized Share capital				
Equity shares of Rs 2/- each (Rs. 10 each for Year ended March 31, 2022)	10,00,00,000.00	2,000.00	1,05,00,000.00	1,050.00
	10,00,00,000.00	2,000.00	1,05,00,000.00	1,050.00
Issued, subscribed and fully paid-up Share Capital				
Equity shares of Rs 2/- each (Rs. 10 each for Year ended March 31, 2022)	5,06,52,330.00	1,013.05	1,01,30,466.00	1,013.05
<b>Total</b>	<b>5,06,52,330.00</b>	<b>1,013.05</b>	<b>1,01,30,466.00</b>	<b>1,013.05</b>

### 14 Other Equity

Particular	Rs. in Lakh			
	As on March 31, 2024			
	Securities Premium	Retained Earnings	Money Received against Share	Total
Balance at the beginning of the reporting period	568.81	285.60	0.00	854.41
Add: Total Comprehensive Income for the year				
Add: Amount received during the year		162.04	(0.00)	162.04
<b>Total</b>	<b>568.81</b>	<b>447.64</b>	<b>-</b>	<b>1,016.44</b>

Particular	As on March 31, 2023			
	Securities Premium	Retained Earnings	Money Received against Share warrant	Total
Balance at the beginning of the reporting period	568.81	247.07		815.87
Add: Total Comprehensive Income for the year				
Add: Amount received during the year		38.53	371.25	409.78
<b>Total</b>	<b>568.81</b>	<b>285.60</b>	<b>371.25</b>	<b>1,225.65</b>

*[Handwritten Signature]*

*[Handwritten Signature]*

**KSHITIJ POLYINE LIMITED**

CIN:26209MH2008PLC180484

**Notes on Financial Statements**

As on 31 March, 2024

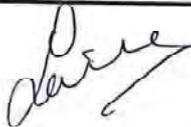
**15 Borrowings**

(Rs. in Lakh)

Particular	As on March 31, 2024	As on March 31, 2023
<b>Term Loans</b>		
- From Banks and Financial Institution	1,622.38	764.49
<b>Non-current</b>	193.93	424.14
<b>Current</b>	1,286.95	340.34
- From Other Parties	2,915.50	503.03
<b>Non-current</b>	1,431.76	-
<b>Current</b>	1,483.74	503.03
<b>Loans repayable on demand</b>		
- From Banks		857.89
<b>Non-current</b>		-
<b>Current</b>		857.89
Note:		

**16 Trade payables**

Particular	As on March 31, 2024	As on March 31, 2023
Trade payables to related parties		
Total outstanding dues of micro enterprises and small enterprises		49.29
Total outstanding dues of creditors other than micro enterprises and small enterprises	477.64	246.92
<b>Total</b>	477.64	296.22



**KSHITIJ POLYINE LIMITED**

CIN:26209MH200BPLC180484

## Notes on Financial Statements

As on 31 March, 2024

### 17 Other financial liabilities

Rs. in Lakh

Particular	As on March 31, 2024	As on March 31, 2023
Security deposits from Distributors	9.26	9.26
Current Maturities of Long Term Debt	141.50	340.34
Other financial liabilities		33.47
	150.76	383.07
Non-current		
Current	150.76	383.07
<b>Total</b>		

### 18 Provisions

Particular	As on March 31, 2024	As on March 31, 2023
Provision for Income tax	69.18	17.93
Provision for Expenses	55.05	
Payable for employee benefits	34.45	28.98
Non-current	32.45	27.23
Current	126.23	19.67
<b>Total</b>		

### 19 Deferred tax liabilities (net)

Particular	As on March 31, 2024	As on March 31, 2023
As at the start of the year	44.01	38.23
Charge / (credit ) to Statement of profit and loss	4.95	5.78
At the end of the year	48.95	44.01

**KSHITIJ POLYINE LIMITED**

CIN:26209MH200BPLC180484

## Notes on Financial Statements

As on 31 March, 2024

### 20 Other current liabilities

Particular	Rs. In Lakh	
	As on March 31, 2024	As on March 31, 2023
Statutory liabilities	57.97	22.77
Advance from Customers	72.95	47.11
<b>Total</b>	<b>130.91</b>	<b>69.88</b>

### 21 Revenue from operations

Particular	Year Ended	
	March 31, 2024	March 31, 2023
Sale of products	5,940.40	3,397.53
<b>Total revenue from operations</b>	<b>5,940.40</b>	<b>3,397.53</b>

### 22 Other Income

Particular	Year Ended	
	March 31, 2024	March 31, 2023
Duty Drawback	0.71	0.62
Other Income	1.80	(1.36)
Commission	89.21	-
Rental Income	19.90	-
Share Warrant forfeiture	132.00	-
Foreign Exchange Fluctuation	0.02	0.75
Interest Income	420.84	-
Interest on FD	14.41	10.66
<b>Total</b>	<b>678.89</b>	<b>10.67</b>

### 23 Cost of materials consumed

Particular	Year Ended	
	March 31, 2024	March 31, 2023
<b>Raw material</b>		
Opening Stock of Raw Materials	487.39	427.01
Add : Purchases made during the year	4,770.96	2,346.11
Less : Closing Stock of Raw Materials	-	(487.39)
	<b>5,258.35</b>	<b>2,285.73</b>
<b>Carraige inward</b>		
Packing materials	21.57	8.97
Agency charges	0.25	0.29
Transport charges	29.12	2.06
Certification Charges	0.13	0.55
Clearing & Forwarding charges	0.19	6.77
Other Charges	95.63	23.89
<b>Total</b>	<b>5,405.22</b>	<b>2,328.24</b>

*[Signature]*

*[Signature]*

KSHITIJ POLYINE LIMITED

CIN:26209MH200BPLC180484

## Notes on Financial Statements

As on 31 March, 2024

### 24 Changes in inventories of finished goods & work-in progress

Rs. In Lakh

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Inventories at the beginning of the year		
Finished goods	742.40	717.56
Packing Material	188.72	177.60
Work in progress	141.15	133.30
	1,072.26	1,028.46
Inventories at the end of the year		
Finished goods	1,390.45	742.40
Packing Material		188.72
Work in progress		141.15
	1,390.45	1,072.26
(Increase)/Decrease in Inventories		
Finished goods	(648.06)	(24.83)
Packing Material	188.72	(11.12)
Work in progress	141.15	(7.85)
(Increase)/Decrease in Inventories	(318.19)	(43.80)

### 25 Employee benefits

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Salary, Wages and Allowances	478.61	292.55
Director's Remuneration	26.20	21.20
Contribution to Provident Fund and other funds	18.39	10.72
Gratuity Expense	8.97	5.31
Staff Welfare Expenses	(0.80)	16.96
Bonus	14.98	
Contractor Labour Charges	35.62	180.46
Maharashtra Labour Welfare Fund		
Total	581.98	527.20

### 26 Finance costs

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Interest expenses	197.73	145.66
Interest on Lease Liabilities	5.83	7.48
Bank Charges	9.28	7.63
Other bank charges	5.15	1.88
Total	217.98	162.65

### 27 Depreciation expense

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Amortization of Right to Use	17.06	17.06
Depreciation of property, plant and equipment	99.91	110.43
	116.97	127.50

KSHITIJ POLYINE LIMITED

CIN:26209MH200BPLC180484

## Notes on Financial Statements

As on 31 March, 2024

### 28 Other expense

Rs. In Lakh

Particular	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Electricity Expenses	112.07	91.08
Repair & Maintenance	0.75	11.33
Remuneration to Auditors	3.80	1.50
Legal and Professional Fees	44.14	14.78
Travelling & Conveyance	7.45	5.97
Vehicle Expense	2.15	
Convenience Fees	0.06	
Carriage outward	0.11	
Cleaning Expense	4.42	
Lodging and Boarding Expenses	1.05	1.09
Rent, Rates & Taxes	31.27	3.92
Insurance Expenses	7.24	5.70
Petrol and Diesel Expenses		18.16
Computer, Website & Software Expenses	3.13	6.86
Postage and Telephone Expenses & internet Expenses	5.54	4.42
Security Charges	2.44	
GST Expense	4.14	
Credit Card Expense	(0.51)	
Membership and License	0.43	
Packing and Forwarding	(0.05)	
Commission	5.41	10.99
Office Expenses	1.77	2.29
Shares Related Expenses	31.87	7.18
Advertisements and Sales Promotion Expense	19.41	27.10
Municipal Taxes	2.94	2.75
Other Expenses	48.66	10.93
Weighing A/c	0.07	
Petrol & Diesel Expenses	14.92	
Freight & Insurance	0.53	
Canteen Expenses	0.05	
Medical Expenses	0.31	
Refreshment Expenses	18.87	
Recruitment Expenses	0.73	
Processing Fees	0.03	
Fine on Delay Custom Clearance	0.40	
Round off	0.00	
Interest and Penalty under Income Tax	0.04	
Water Charges		0.07
Credit Card Expenses		0.26
Contract and Penal charges		1.44
Printing & Stationery	3.87	2.04
Discount Allowed		11.98
Stamp Duty and Registration Charges	1.04	0.28
Late Payment Charges	0.02	0.43
Toll Tax	0.02	0.68
Bonus Issue Expenses		2.80
Stock Audit Fees		0.16
Total	380.58	246.19



**VRCA & Associates**  
**CHARTERED ACCOUNTANTS**

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kabrahmhatt@gmail.com

CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL RESULTS**

To,  
The Board of Directors Of  
M/s KSHITIJ POLYLINE LIMITED

**Opinion**

We have audited the accompanying Statement of Standalone Financial Result of M/s **KSHITIJ POLYLINE LIMITED** for the half year and year to ended March 31, 2023, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI.

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- Is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- Gives a true and fair view in conformity with the recognition and measurement principles laid down in the Accounting Standards ("AS") and other accounting principles generally accepted in India of the net Profit and total comprehensive income and other financial information of the Company for the half year and year then ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the companies Act, 2013 and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Management's Responsibilities for the Standalone Financial Results**

This Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been compiled from the related audited Interim condensed standalone financial statements for the three months and year ended March 31, 2023. This responsibility includes preparation and presentation of the Standalone Financial Results for the half year and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued there under and other accounting principles, generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the company.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intention omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.



- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statement or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results, represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.
- Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W



CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Date: 29/05/2023  
Place: Mumbai  
UDIN: 23150053BGWJNL4257





CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

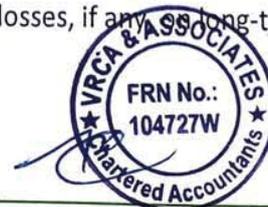
CA. Akshay Shah

**KSHITIJ POLYLINE LIMITED**  
**(CIN-L25209MH2008PLC180484)**

**ii. Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
- D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- E. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- F. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in Our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

VRCA & ASSOCIATES  
CHARTERED ACCOUNTANT  
Firm Registration No. 104727W



CA KRUNAL BRAHMBHATT  
PARTNER  
Membership No. 150053  
Place: Mumbai  
Date: 29-May-2023  
UDIN: 23150053BGWJNL4257



## ANNEXURE 'B' TO THE AUDITORS' REPORT

**The Annexure referred to In our report to the members of KSHITIJ POLYLINE LIMITED for the year ended 31<sup>st</sup> March, 2023.**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. **(a)** The company has maintained proper records showing full Particulars including quantitative details and situation of its fixed assets.  
**(b)** These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.  
**(c)** Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed.
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - a)** All terms and conditions are as per the benefits of company and are not prejudicial to the company's interest.
  - b)** Schedule of repayment of principal and interest has been stipulated and receipts are regular.
  - c)** There is no such amount which is overdue more than 90 Days of above mentioned loan.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. **(a)** The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.  
**(b)** Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.



8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

VRCA & ASSOCIATES  
CHARTERED ACCOUNTANT  
Firm Registration No. 104727W



CA KRUNAL BRAHMBHATT  
PARTNER  
Membership No. 150053  
Place: Mumbai  
Date: 29-May-2023  
UDIN: 23150053BGWJNL4257



**KSHITIJ POLYLINE LIMITED**  
**CIN:L25209MH2008PLC180484**  
**Balance Sheet as on 31 March, 2023**

Rs in Lacs

Particulars	Notes No.	As on 31 March,2023	As on March, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	1,013.05	1,013.05
(b) Reserves and surplus	2	873.66	828.40
(c) Money received against share warrants	1A	371.25	-
<b>Share application money pending allotment</b>			
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	494.07	470.53
(b) Deferred tax liabilities (net)	4	63.00	57.22
(c) Other long-term liabilities			-
(d) Long-term provisions			-
<b>Current liabilities</b>			
(a) Short-term borrowings	5	1,360.92	856.31
(b) Trade payables	6	296.22	381.66
(A) total outstanding dues of micro enterprises and small enterprises;		49.29	
and (A) total outstanding dues of creditors other than micro enterprises and small enterprises		246.92	
(c) Other current liabilities	7	383.02	442.09
(d) Short-term provisions		17.93	9.69
<b>TOTAL</b>		<b>4,873.12</b>	<b>4,058.94</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) (i) Property Plant & equipment	8	1,079.16	1,116.08
(ii) Intangible assets			-
(iii) Capital work-in-progress			-
(iv) Intangible assets under development			-
(v) Fixed assets held for sale			-
(b) Non-current investments		230.00	-
(c) Deferred tax assets (net)			-
(d) Long-term loans and advances	9	91.55	143.87
(e) Other non-current assets	10	276.72	106.02
<b>Current assets</b>			
(a) Current investments			
(b) Inventories	11	1,559.65	1,455.48
(c) Trade receivables	12	582.46	607.04
(d) Cash and cash equivalents	13	323.72	25.93
(e) Short-term loans and advances	14	721.22	597.56
(f) Other current assets	15	8.63	6.96
<b>TOTAL</b>		<b>4,873.12</b>	<b>4,058.94</b>

For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W

sd/-  
CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Date: 29/05/2023  
Place: Mumbai  
UDIN: 23150053BGWJNL4257

For and on behalf of the Board of  
**Kshitij Polyline Limited**  
CIN: L25209MH2008PLC180484

sd/- (Bharat Gala) Managing Director  
DIN:01994342  
sd/- (Mahendra Kumar Jain) Director  
DIN:09765526  
sd/- (Rahul Shah) Chief Executive officer  
sd/- (Manisha Dedhia) Chief Financial Officer

sd/-  
**(CS Deyaani Maheshwari)**  
Company Secretary

KSHITIJ POLYLINE LIMITED CIN:L25209MH2008PLC180484 Statement of Profit and Loss for the period ending 31 March, 2023			
			Rs in Lacs
Particulars	Notes No.	For the Period Ending 31 March, 2023	For the Period ending 31 March, 2022
Revenue from operations	16	3,397.53	3,903.71
Other income	17	10.67	3.77
<b>Total Income (I + II)</b>		<b>3,408.20</b>	<b>3,907.48</b>
<b>Expenses :</b>			
(a) Cost of Material Consumed	18	2,328.24	2,929.78
(c) Changes in Inventories	19	-43.80	-116.45
(b) Employee benefits expense	20	521.90	515.76
(c) Finance costs	21	155.17	207.47
(d) Depreciation and amortisation expense	8	110.43	109.71
(e) Other expenses	22	267.28	199.12
<b>Total expenses</b>		<b>3,339.22</b>	<b>3,845.39</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>68.98</b>	<b>62.10</b>
Exceptional items (Prior Period Item)		-	-
<b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>68.98</b>	<b>62.10</b>
Extraordinary items		-	-
<b>Profit / (Loss) before tax (7 + 8)</b>		<b>68.98</b>	<b>62.10</b>
<b>Tax expense:</b>			
(a) Current tax expense for current year		17.93	9.69
(b) (Less): MAT credit (where applicable)			
(c) Current tax expense relating to prior years			
(d) Excess/(Short) Provision of Income Tax Written Back			
(e) Deferred tax		5.78	10.84
<b>Total(10)</b>		<b>23.71</b>	<b>20.53</b>
<b>Profit / (Loss) for the year(9 +10)</b>		<b>45.26</b>	<b>41.56</b>
<b>Brought Forward Profit</b>			
<b>Surplus Carried to Balance Sheet</b>			
<b>Earnings per share</b>			
(a) Basic			
(i) Continuing operations		0.00	0.41
(b) Diluted			
(i) Continuing operations		0.00	0.41
<b>Significant Accounting Policies and Notes to Account</b>	23		
<b>For VRCA &amp; ASSOCIATES</b> Chartered Accountants Firm Registration No: 104727W  sd/- <b>CA KRUNAL BRAHMBHATT</b> PARTNER M.NO: 150053 Date: 29/05/2023 Place: Mumbai UDIN: 23150053BGWJNL4257		For and on behalf of the Board of <b>Kshitij Polyline Limited</b> CIN: L25209MH2008PLC180484  sd/- <b>(Bharat Gala)</b> Managing Director DIN:01994342  sd/- <b>(Rahul Shah)</b> Chief Executive officer  sd/- <b>(CS Deyaani Maheshwari)</b> Company Secretary	
		sd/- <b>(Mahendra Kumar Jain)</b> Director DIN:09765526  sd/- <b>(Manisha Dedhia)</b> Chief Financial Officer	

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
Schedules Forming Part Of Balance Sheet As On 31 March 2023

Notes No. "1" :- SHARE CAPITAL

Particulars	As on 31 March 2023		As on 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
<b>(a) Authorised</b>				
Equity shares of Rs.10 each with voting rights	10,00,00,000	2,000.00	1,05,00,000	1,050.00
<b>(b) Issued</b>				
(i) Equity shares of `Rs.10 each with voting rights/Rs- 2/-	5,06,52,330	1,013.05	1,01,30,466	1,013.05
<b>(c) Subscribed and fully paid up</b>				
(i) Equity shares of `Rs.10 each with voting rights/Rs- 2/-	5,06,52,330	1,013.05	1,01,30,466	1,013.05
<b>Total</b>	<b>5,06,52,330</b>	<b>1,013.05</b>	<b>1,01,30,466</b>	<b>1,013.05</b>

Reconciliation of No. of Shares of each class of issued Capital

Particulars	Equity	
	Current Year	Prev. Year
No. of shares outstanding at the beginning of the Year of Rs.10/- each at par value/Rs.2/- each at par value	50652330	8683336
Bonus Issue during the year	0	1447130
Movement during the year (Funds raised by Initial Public Offer)	0	0
<b>Balance Shares Outstanding</b>	<b>50652330</b>	<b>10130466</b>

Money Recd Against Share Warrants Pending Allotment (ONLY 25% Money Recd)

Particulars	Equity	
	Current Year	
Abhishek Kumar Poddar	8.25	
Bhavishtya Ecommerce	239.25	
Chintan Shah	24.75	
Hemal Arunbhai Mehta	37.125	
Kamal Bhupatrai Parekh Huf	37.125	
Narendra Parshuram	24.75	0
	<b>371.25</b>	<b>0</b>

Details of Shareholders holding more than 5% of Total Shares :-  
Shares FV Rs 2/-

Particulars	Current Year as on 31/03/2023		Current Year	
	No. of Shares	%	No. of Shares	%
Mr. Bharat H. Gala	1,20,83,670	23.86%	28,65,700	28.28%
Mrs. Rita B Gala	28,11,100	5.55%	5,85,550	5.78%
Mr. Hemraj B Gala	1,19,66,825	23.63%	28,62,313	28.25%
	<b>2,68,61,595</b>		<b>63,13,563</b>	

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023

Notes No. "2":- RESERVES AND SURPLUS

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>PROFIT &amp; LOSS A/C:</b>		
<b>A. Securities Premium Reserve</b>		
As per last Balance Sheet	568.81	713.52
Add: Movement during the year		
Less: Used for allotment of Bonus Shares		144.71
<b>Closing balance at the end of the year</b>	<b>568.81</b>	<b>568.81</b>
<b>B. Surplus in Statement of Profit and Loss</b>		
Surplus at beginning of year	259.59	218.03
Less: Used for allotment of Bonus Shares		
Add: Net Profit For the current year	45.26	41.56
	304.86	259.59
<b>Total</b>	<b>873.66</b>	<b>828.40</b>

Notes No. "3":- LONG-TERM BORROWINGS

Particulars	Non-Current		Current	
	As at 31 March 2023	As at 31st March 2022	As at 31 March 2023	As at 31st March 2022
<b>Secured Loans</b>				
<b>Term Loan</b>				
From Bank	398.26	378.60	251.98	301.09
<b>Unsecured Loans</b>				
<b>Term Loan</b>				
From Others & NBFC	95.81	91.93	18.44	98.72
	<b>494.07</b>	<b>470.53</b>	<b>270.41</b>	<b>399.81</b>

Notes No. "4":-DEFERRED TAX LIABILITIES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Opening Balance	57.22	46.37
Add: Provisions	5.78	10.84
Less: Reversal		
<b>Total</b>	<b>63.00</b>	<b>57.22</b>

Notes No. "5":- SHORT TERM BORROWINGS

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>Secured</b>		
From Bank	<b>857.89</b>	856.31
(Secured against Stock, Debtors, and Property)		
<b>Unsecured</b>		
From Others	503.03	-
From Non-Banking Financial Institutions		
<b>Total</b>	<b>1,360.92</b>	<b>856.31</b>

Notes No. "6":-TRADE PAYABLE

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Due to for Less than six months	38.11	
Due to for more than six months	11.18	
Micro, Small and Medium Enterprises *		
Others	246.92	381.66
<b>Total</b>	<b>296.22</b>	<b>381.66</b>

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023  
Notes No. "7":- OTHER CURRENT LIABILITIES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Current Maturities of Long Term Borrowings (Note No. 3)	270.41	399.81
Loan from Related party	-	-
Deposits	9.26	19.00
Advance from Customers	47.11	-
Statutory Liabilities	22.77	0.69
Payable to Staff	30.31	20.69
Other Payables	3.16	1.91
Application for shares,pending allotment	-	-
<b>Total</b>	<b>383.02</b>	<b>442.09</b>

Notes No. "8":- Short - Term Provisions

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Provision for tax (Net of Tax)	17.93	9.69
<b>Total</b>	<b>17.93</b>	<b>9.69</b>

Note 9 : Long Term Loans and Advances

Particulars	As on 31 March 2023	As on 31 March 2022
<b>Unsecured and Considered Good</b>		
Capital Advances	76.39	115.90
Security Deposits	15.16	27.97
<b>Total</b>	<b>91.55</b>	<b>143.87</b>

Notes No. "10":- Other Non - Current Assets

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>Unsecured and Considered Good</b>		
Other Bank Balances		
Fixed Deposits (maturity more than 12 months)	276.72	106.02
<b>Total</b>	<b>276.72</b>	<b>106.02</b>

Notes No. "11":- INVENTORIES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Raw Materials	487.39	427.01
Work in Process	141.15	133.30
Packing Materials	188.72	177.60
Finished goods	742.40	717.56
<b>Total</b>	<b>1,559.65</b>	<b>1,455</b>

Notes No. "12":- TRADE RECEIVABLES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>Unsecured, considered good;</b>		
Trade receivables due for more than six months	129.76	
Other Trade receivables due for less than six months	452.69	607.04
<b>Total</b>	<b>582.46</b>	<b>607.04</b>

Notes No. "13":- CASH & CASH EQUIVALENTS

PARTICULAR	As on 31 March 2023	As on 31 March 2022
(a) Cash and Cash Equivalents		
Balances with banks		
- In current accounts	316.70	12.33
Cash on hand	7.02	13.60
(b) Other Bank Balances		
In Fixed Deposits having Original maturity more than 3 months		-
<b>Total</b>	<b>323.72</b>	<b>25.93</b>

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023

Notes No. "14":- SHORT TERM LOANS AND ADVANCES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Prepaid Expenses	64.13	55.95
Advance to Suppliers	110.84	128.95
Other Advances	487.27	368.18
Loan to Staff	30.17	29.86
MAT Credit Entitlement	3.48	3.48
Balance with Government Authorities	15.73	8.08
TCS Receivable	0.58	0.85
TDS Receivable	9.01	2.20
<b>Total</b>	<b>721.22</b>	<b>597.56</b>

Note 15 : Other current assets

Particulars	As on 31 March 2023	As on 31 March 2022
<b>Unsecured and considered good</b>		
Interest accrued but not due on Fixed Deposits		-
Interest Receivable	4.17	4.20
other current Assets	4.46	2.76
	<b>8.63</b>	<b>6.96</b>

Notes No. "16":- Revenue from Operations

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Sales of Goods	3,397.53	3,903.71
<b>Total</b>	<b>3,397.53</b>	<b>3,903.71</b>

Notes No. "17":- Other Income

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Duty Drawback	0.62	0.69
Other Income	-1.36	0.22
Foreign Exchange Fluctuation	0.75	2.87
Interest on FD	10.66	
<b>Total</b>	<b>10.67</b>	<b>3.77</b>

Notes No. "18":- Cost of Material Consumed

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Opening stock	427.01	378.68
Add: Purchases	2346.11	2,858.31
	2773.12	3,236.97
Less: Closing Stock	487.39	427.01
<b>Total</b>	<b>2285.73</b>	<b>2,809.96</b>
<b>Manufacturing Exp</b>		
Carriage inward		12.79
Packing expenses	<b>8.97</b>	51.92
Agency charges	<b>0.29</b>	0.66
Transport charges	<b>2.06</b>	26.90
Certification Charges	<b>0.55</b>	1.04
Clearing & Forwarding charges	<b>6.77</b>	26.51
Other Charges	23.89	
<b>Total</b>	<b>2,328.24</b>	<b>2,929.78</b>

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023

Notes No. "19":- Changes in Inventories

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>STOCK IN TRADE</b>		
Opening stock of Finished Goods	717.56	636.31
Opening stock of Packing Material	177.60	157.49
Opening stock of WIP	133.30	118.21
Less: Closing stock of Finished Goods	742.40	717.56
Less: Closing stock of Packing Material	188.72	177.60
Less: Closing stock of WIP	141.15	133.30
<b>Difference</b>	<b>(43.80)</b>	<b>(116.45)</b>

Notes No. "20":- EMPLOYEES BENEFIT EXPENSES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Salaries & Wages	292.55	270.03
Directors' Remuneration	21.20	22.90
Contributions to Provident Fund	10.72	11.04
Staff welfare expenses	16.96	11.05
Contractor Labour Charges	180.46	200.74
Maharashtra Labour Welfare Fund	0.00	0.01
<b>Total</b>	<b>521.90</b>	<b>515.76</b>

Notes No. "21":- FINANCE COST

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Interest	145.66	196.33
Bank charges	7.63	8.40
Other Bank Charges	1.88	2.74
<b>Total</b>	<b>155.17</b>	<b>207.47</b>

Notes No. "22":- OTHER EXPENSES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Electricity Expenses	91.08	79.37
Repair & Maintenance	11.33	11.95
Remuneration to Auditors	1.50	-
Legal and Professional Fees	14.78	20.25
Travelling & Conveyance	5.97	3.15
Transport Expenses		2.47
Lodging and Boarding Expenses	1.09	0.94
Rent, Rates & Taxes	25.00	32.75
Insurance Expenses	5.70	-
Petrol and Diesel Expenses	18.16	18.50
Computer, Website & Software Expenses	6.86	0.63
Postage and Telephone Expenses & internet Expenses	4.42	6.22
Commission	10.99	5.44
Donation		0.17
Office Expenses	2.29	1.62
Shares Related Expenses	7.18	-
Advertisements and Sales Promotion Expense	27.10	9.94
Municipal Taxes	2.75	-
Other Expenses	10.93	1.76
Interest & Penalty Under Income Tax		0.26
Water Charges	0.07	0.33
Credit Card Expenses	0.26	-
Contract and Penal charges	1.44	
Printing & Stationery	2.04	
Discount Allowed	11.98	-
Stamp Duty and Registration Charges	0.28	0.20
Late Payment Charges	0.43	0.24
PF Penalty -Earlier Year		0.38
Toll Tax	0.68	1.47
Bonus Issue Expenses	2.80	0.93
Stock Audit Fees	0.16	0.14
<b>TOTAL</b>	<b>267.28</b>	<b>199.12</b>

**KSHITIJ POLYLINE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31 March 2023**

**Notes No. "8":- TANGIBLE ASSETS & CAPITAL WORK IN PROGRESS**

PARTICULARS	RATE	GROSS BLOCK					DEPRECIATION			W.D.V. AS	W.D.V. AS
		01-04-2022	ADDITION More than 180 days	ADDITION Less than 180 days	DEDUCTION	31-03-2023	01-04-2022	YEAR	31-03-2023	ON 31.03.2023	ON 31.03.2022
COMPUTERS	63.16%	45,69,035	2,39,335	2,45,942	11,000	50,43,311	33,87,313	8,50,617	42,37,929	8,05,382	11,81,722
BUILDING	9.50%	3,59,47,235	6,35,722	4,63,000		3,70,45,957	1,44,66,348	20,90,598	1,65,56,947	2,04,89,011	2,14,80,887
FURNITURE & FIXTURES	25.89%	1,22,04,440	-	59,060	3,50,000	1,19,13,500	67,88,252	14,08,858	81,97,109	37,16,391	54,16,189
PLANT & MACHINERY	7.42%	12,58,45,739	44,39,687	15,47,600	6,39,000	13,11,94,026	6,06,24,109	54,79,235	6,61,03,344	6,50,90,681	6,52,21,629
OFFICE EQUIPMENT	45.07%	29,83,045	3,06,525	4,78,089	1,02,300	36,65,360	13,93,990	8,61,183	22,55,173	14,10,187	15,89,055
VEHICLES	31.23%	42,59,903	37,000	1,680		42,98,583	31,64,800	3,52,753	35,17,553	7,81,030	10,95,103
LAND		1,56,23,459	-			1,56,23,459		-	-	1,56,23,459	1,56,23,459
<b>TOTAL</b>		<b>20,14,32,856</b>	<b>56,58,269</b>	<b>27,95,371</b>	<b>11,02,300</b>	<b>20,87,84,196</b>	<b>8,98,24,812</b>	<b>1,10,43,243</b>	<b>10,08,68,055</b>	<b>10,79,16,142</b>	<b>11,16,08,044</b>

**KSHITIJ POLYLINE LIMITED**
**Cash Flow Statement as on 31-Mar-2023**

Rs in Lacs

Particulars		As on 31 March 2023	As on 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Net profit before tax</b>	[A]	<b>68.98</b>	<b>62.10</b>
Adjustment for:			
Depreciation		110.43	109.71
Lease Rent Income			0.00
Interest Expense		145.66	196.33
Interest Income			0.00
Excess Depreciation			
Dividend Income			0.00
Total Adjustment	[B]	256.09	306.04
Operating profit before working capital changes	[C]=[A]+[B]	325.07	368.14
<b>Adjustment for changes in working capital :</b>			
(Increase) / Decrease in Inventories		-104.18	-164.81
Increase / (Decrease) in Trade Payables		-85.44	50.39
(Increase) / Decrease in Long Term Loans and Advances		52.32	0.00
(Increase) / Decrease in Short Term Loans and Advances		-123.66	-304.58
(Increase) / Decrease in Trade Receivable		24.59	345.69
(Increase) / Decrease in Other Current Asset		-1.67	-0.67
Increase / (Decrease) in Other Current liability		-59.07	110.93
Increase / (Decrease) in Provision		8.25	-6.45
Total	[D]	-288.87	30.51
Cash generated from operations	[E]=[C]+[D]	36.20	398.64
Taxes (Paid) / Received (Net of TDS)	[F]	-17.93	-9.69
Net cash generated from/(used in) operating activities	[G]=[E]+[F]	18.27	388.96
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets and adjustment of Capital Work in Progress		-73.51	-173.53
Proceeds from Fixed Deposits in bank			-18.64
Proceeds to Fixed Deposits in bank		-147.16	-62.84
Proceeds For investment			
Proceeds from sale of Fixed Assets			
Proceeds To acquire Property & Investment in Other Company		-230.00	
Capital advance Paid			
Other advance received			0.00
Security deposit received			
Advance to Related Parties			
Lease Rent Income			0.00
Dividend Income			0.00
Interest Income			0.00
Net cash generated from/(used in) investing activities	[H]	-450.67	-255.00

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of Equity Share/share warrants		371.25	
Proceeds from securities premium on issue of share			
Proceeds from/(Repayment of) Term Loan [Net]			0.69
Proceeds/ (Repayment) of Loan from Related Party			0.00
Proceeds from Overdraft Account		504.61	4.52
Interest Expense		-145.66	-196.33
Net cash generated from/(used in) financing activities	[I]	730.20	-191.12
Net Increase / (Decrease) in Cash & Cash equivalents	[J]=[G]+[H]+[I]	297.79	-57.17
Cash and cash equivalents at the beginning of the year	[K]	25.93	83.10
<b>Cash and cash equivalents at the end of the year</b>	<b>[J]+[K]</b>	<b>323.72</b>	<b>25.93</b>
Cash and cash equivalents comprise :			
Cash on hand		7.02	13.60
Balance with banks		316.70	12.33
Other Bank Balances			0.00
<b>Total cash and cash equivalents</b>		<b>323.72</b>	<b>25.93</b>
As per Books of Account produce before us <b>For VRCA &amp; ASSOCIATES</b> Chartered Accountants Firm Registration No: 104727W		For and on behalf of the Board of <b>Kshitij Polyline Limited</b> CIN: L25209MH2008PLC180484	
sd/- <b>CA KRUNAL BRAHMBHATT</b> PARTNER M.NO: 150053 Date: 29/05/2023 Place: Mumbai UDIN: 23150053BGWJNL4257	sd/- <b>(Bharat Gala)</b> Managing Director DIN:01994342	sd/- <b>(Mahendra Kumar Jain)</b> Director DIN:09765526	
	sd/- <b>(Rahul Shah)</b> Chief Executive officer	sd/- <b>(Manisha Dedhia)</b> Chief Financial Officer	
	sd/- <b>(CS Deyaani Maheshwari)</b> Company Secretary		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
31st MARCH, 2023

Note No. 23 : Other Notes to Financial Statements

(1) Capital and other Commitment

During the current year Rs.Nil/-, (P.Y Rs.Nil/-) / There are no such agreement are with any vendors or customer for business related transaction

(2) Contingent liabilities

Current year Rs.Nil (P.Y Nil)

(3) Deferred Taxation:

(Rs in Lacs)

Deferred Tax Assets/ (DTL)	Opening Balance	During the year	Closing Balance
As per Depreciation	(57)	(6)	(63)
<b>Deferred Tax assets / (DTL)</b>	<b>(57)</b>	<b>(6)</b>	<b>(63)</b>

(4) Value of Imports :

(Rs in Lacs)

Paticulars	2022-2023	2021-2022
Raw Material incl High seas purchases	278.40	-
Raw Material traded during the year	-	-
Packing Material	-	-
Capital Asset	-	19.14
Spares	-	-
<b>Total</b>	<b>278.40</b>	<b>19.14</b>

(5) Earning and Expenditure in Foreign Currency :

(Rs in Lacs)

Paticulars	2022-2023	2021-2022
Earning in Foreign Currency	42.32	120.93
Expenditure in foreign Currency		
Foreign Travelling	-	-
Capital Asset	-	-19.14
Import of Raw Material and Spares	-227.02	-80.28
<b>Total</b>	<b>-184.70</b>	<b>21.52</b>

(6) Value of Imported & Indigenous Raw Materials :

(Rs in Lacs)

Paticulars	2022-2023		2021-2022	
	%	Amount (Rs.)	%	Amount (Rs.)
<b>A) Raw Material Consumed</b>				
-Imported	9.03	227.02	2.81	80.28
-Indigenous	90.97	2,285.73	97.19	2,778.03
<b>Total</b>	<b>100.00</b>	<b>2,512.75</b>	<b>100.00</b>	<b>2,858.31</b>
<b>B) Fixed Asset And Spare Parts</b>				
-Imported	-	-	9.40	19.14
-Indigenous	100.00	84.54	90.60	184.39
<b>Total</b>	<b>100.00</b>	<b>84.54</b>	<b>100.00</b>	<b>203.53</b>

(7) Related Party Disclosure:

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", Relationships (during the year):

Name of the party	Relation
1. Key Management Personnel :	
a. Mr. Bharat H. Gala	Executive Director
b. Mr. Rahul D. Shah	Chief Executive Officer
c. Mr. Rushiraj Z. Patel	Independent Director
d. Mr. Rajul D. Visaria	Independent Director
e. Mr. Lal Singh Bhagrot	Executive Director
f. Mrs. Manisha Chordia	Non Executive Director
g. Mr. Mahendra Kumar Jain	Executive Director
h. Ms. Manisha Dedhia	Chief Financial Officer
i. Mr Rajat Manjrekar	Company Secretary
2. Relatives of Key Managerial Persons :	
a. Mr Hemraj. B. Gala	Relative of Director
b. Mrs Rita Bharat Gala	Relative of Director
3. Enterprises over which Key Managerial Persons are able to exercise significant influence :	
a. Hemraj B. Gala HUF	HUF concern of relative of director
b. Lucky Plastics	Proprietary concern of a director

(8) The following transactions were carried out with the related parties in the ordinary course of business:

		(Rs in Lacs)		
Sr.	Particulars	Type of Relationship	2022-23	2021-22
1	Directors Remuneration	Bharat H. Gala	26.00	19.00
2	Directors Remuneration	Rahul D. Shah	3.90	3.90
3	Remuneration Paid	Manisha Dedhia	3.33	3.10
4	Remuneration Paid	Rajat Manjrekar	0.35	2.10
5	Rent Received	Lucky Plastics	0.15	0.60
6	Purchase	Lucky Plastics	133.97	36.72
7	Sale of Goods	Lucky Plastics	513.21	87.53
8	Advance Given	Lucky Plastics	419.44	41.72
9	Commission Paid	Lucky Plastics	9.31	
10	Directors Remuneration	Manisha Chordia	12.00	
11	Directors Remuneration	Mahendra Kumar Jain	5.25	
12	Directors Remuneration	Rushiraj Z. Patel	0.60	
13	Directors Remuneration	Rajul D. Visaria	0.60	
14	Directors Remuneration	Lal Singh Bhagrot	6.00	

(9) Earnings per share (EPS)

		(Rs in Lacs)	
Particulars	2022-23	2021-22	
Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders (Rs.)	45.26	41.56	
Weighted Average number of equity shares	101.30	101.30	
Face Value per equity Share (Rs.)	10.00	10.00	
Basic and Diluted Earnings per Share (Rs.)	0.45	0.41	

(10) Retirement Benefits:

Disclosure in respect of Employee Benefits pursuant to Accounting Standard:- 15 (Revised): The Company has not provided for employee benefits during the F.Y 2022-23 and preceding previous year also.

(11) In the opinion of the Board of Directors, Current assets, Loans and Advances are of the value realizable in the ordinary course of business.

(12) The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprise Development

- Amounts due and outstanding to suppliers as at the end of the accounting year,
- Interest paid during the year,
- Interest payable at the end of the accounting year,
- Interest accrued and unpaid at the end of the accounting year,

(13) The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

As per our report of even date  
For VRCA & ASSOCIATES  
Chartered Accountants

sd/-  
**CA KRUNAL BRAHMBHATT**  
Partner  
Membership Number: 150053  
Firm Registration Number: 104727W  
Date: 29/05/2023  
UDIN: 23150053BGWJNL4257

For and on behalf of the Board of  
**Kshitij Polyline Limited**  
CIN: L25209MH2008PLC180484

sd/-  
**(Bharat Gala)**  
Managing Director  
DIN:01994342

sd/-  
**(Mahendra Kumar Jain)**  
Director  
DIN:09765526

sd/-  
**(Rahul Shah)**  
Chief Executive officer

sd/-  
**(Manisha Dedhia)**  
Chief Financial Officer

sd/-  
**(CS Deyaani Maheshwari)**  
Company Secretary

Schedule 23 Significant Accounting Policies & Notes annexed to and forming part of the Balance Sheet and Profit & Loss for the Year ended as on 31st March 2023

#### **A) Significant Accounting Policies**

##### **Basis of Accounting**

The accounts have been prepared under the historical cost on an accrual basis as a going concern. Revenue recognition and expenses incurred are accounted on accrual basis and applicable mandatory standards and in accordance with the requirements of the Companies Act, 2013.

##### **Use of Estimates**

The preparation and presentation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement and the reported revenues and expenses for the reporting year. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

##### **Revenue Recognition**

###### **Sales:**

Income from Product Sales/Services Charges is recognized upon completion of sales and rendering of the services respectively. Sales are inclusive of Taxes and Duties but accounted net of sales tax, whenever applicable. Income includes inter-divisional transfer at market price. The value of such inter divisional transfer is included in the value of materials purchase & sales.

###### **Dividend and Interest**

Dividend income from investments is recognized when right to receive to payment is established. Interest income is accounted on its accrual on a time proportion.

##### **Employees Remuneration**

The Company's contributions to the Provident Fund are charged to Profit & Loss for the period.

**Depreciation:**

i) Depreciation is charged on Fixed Assets (other than Goodwill) on Written Down Value and in the manner prescribed in Companies Act, 2013.

**Fixed Assets**

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets are put to use.

**Investments**

Investments are classified as long term Investment and carried at cost. Provision for diminution in value of long term investments is made only, if such a decline is not temporary, in the opinion of the management.

**Prior Period Expenses/Income:**

All identifiable items of income and expenditure pertaining to prior period are accounts as per "Prior Period

**Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

**Earnings Per Share**

The Company reports basic and deluted Earnings per share in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares, except where the results are anti-dilutive.

**Cash Flow Statement**

The Cash flow statement is prepared by the indirect method set out in Accounting standard 3 on Cash Flow statements and presents the cash flows by operating, investing and financing activities of the company. Cash and Cash equivalents presented in the cash flow statement consist of cash in hand and demand deposits with banks.



CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENT**

To,  
The Board of Directors Of  
M/s KSHITU POLYLNE LIMITED

**Opinion**

We have audited the accompanying Financial Statements of M/s **KSHITIJ POLYLNE LIMITED** (hereinafter referred to as "The Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023 and the Statement of Profit & Loss including other Comprehensive Income, the Cash Flow Statement of changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the Financial statement:

- a. Is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. Gives a true and fair view in conformity with the recognition and measurement principles laid down in the Accounting Standards ("AS") and other accounting principles generally accepted in India of the net Profit and total comprehensive income and other financial information of the Company for the half year and year then ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the companies Act, 2013 and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

### **Management's Responsibilities for the Standalone Financial Statements**

This Statement, which includes the Standalone financial statements is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been compiled from the related audited Interim condensed standalone financial statements for the year ended March 31, 2023. This responsibility includes preparation and presentation of the Standalone Financial Statements for the year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued there under and other accounting principles, generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the company.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Statements.



CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intention omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statement or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results, represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone Financial Statements.
- Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in
  - (i) planning the scope of our audit work and in evaluating the results of our work; and
  - (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.



**VRCA & Associates**  
CHARTERED ACCOUNTANTS

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Email ID : Deepak.kulkarni1@gmail.com  
kabrahmhatt@gmail.com

CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W

sd/-

CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Date: 01/09/2023  
Place: Mumbai  
UDIN: 23150053BGWJPH2800



CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

### **ANNEXURE 'B' TO THE AUDITORS' REPORT**

**The Annexure referred to In our report to the members of KSHITIJ POLYLINE LIMITED for the year ended 31<sup>st</sup> March, 2023.**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. **(a)** The company has maintained proper records showing full Particulars including quantitative details and situation of its fixed assets.  
**(b)** These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.  
**(c)** Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed.
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - a)** All terms and conditions are as per the benefits of company and are not prejudicial to the company's interest.
  - b)** Schedule of repayment of principal and interest has been stipulated and receipts are regular.
  - c)** There is no such amount which is overdue more than 90 Days of above mentioned loan.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits.



CA. Deepak Kulkarni

CA. Vinodchandra Kansara

CA. Kirti Jadhav

CA. Akshay Shah

CA. Krunal Brahmhatt

CA. Brijesh Vithalani

CA. Vidhi Devani

6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. **(a)** The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.  
**(b)** Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.
8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.



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16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

VRCA & ASSOCIATES  
CHARTERED ACCOUNTANT  
Firm Registration No. 104727W F559

Sd/-

CA KRUNAL BRAHMBHATT  
PARTNER  
Membership No. 160053  
Place: Mumbai  
Date: 01/09/2023  
UDIN: 23150053BGWJPH2800



CA. Deepak Kulkarni  
CA. Krunal Brahmhatt

CA. Vinodchandra Kansara  
CA. Brijesh Vithalani

CA. Kirti Jadhav  
CA. Vidhi Devani

CA. Akshay Shah

**KSHITIJ POLYLINE LIMITED**  
**(CIN-L25209MH2008PLC180484)**

**ii. Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
- D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- E. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- F. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in Our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements



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CA. Vidhi Devani

CA. Akshay Shah

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

VRCA & ASSOCIATES  
CHARTERED ACCOUNTANT  
Firm Registration No. 104727W

sd/-

CA KRUNAL BRAHMBHATT  
PARTNER  
Membership No. 150053  
Place: Mumbai  
Date: 01/09/2023  
UDIN: 23150053BGWJPH2800

**KSHITIJ POLYLINE LIMITED**  
**CIN:L25209MH2008PLC180484**  
Consolidated Balance Sheet as on 31 March, 2023

Rs in Lacs

Particulars	Notes No.	As on 31 March,2023	As on March, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	1,013.05	1,013.05
(b) Reserves and surplus	2	873.66	828.40
(c) Money received against share warrants	1A	371.25	-
<b>Share application money pending allotment</b>			
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	494.07	470.53
(b) Deferred tax liabilities (net)	4	63.00	57.22
(c) Other long-term liabilities			-
(d) Long-term provisions			-
<b>Current liabilities</b>			
(a) Short-term borrowings	5	1,360.92	856.31
(b) Trade payables	6	296.22	381.66
(A) total outstanding dues of micro enterprises and small enterprises;		49.29	
and (A) total outstanding dues of creditors other than micro enterprises and small enterprises		246.92	
(c) Other current liabilities	7	383.12	442.09
(d) Short-term provisions		17.93	9.69
<b>TOTAL</b>		<b>4,873.22</b>	<b>4,058.94</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) (i) Property Plant & equipment	8	1,079.16	1,116.08
(ii) Intangible assets			-
(iii) Capital work-in-progress			-
(iv) Intangible assets under development			-
(v) Fixed assets held for sale			-
(b) Non-current investments		220.00	-
(c) Deferred tax assets (net)			-
(d) Long-term loans and advances	9	91.55	143.87
(e) Other non-current assets	10	276.72	106.02
<b>Current assets</b>			
(a) Current investments			
(b) Inventories	11	1,559.65	1,455.48
(c) Trade receivables	12	582.46	607.04
(d) Cash and cash equivalents	13	333.82	25.93
(e) Short-term loans and advances	14	721.22	597.56
(f) Other current assets	15	8.63	6.96
<b>TOTAL</b>		<b>4,873.22</b>	<b>4,058.94</b>

For VRCA & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 104727W

sd/-  
CA KRUNAL BRAHMBHATT  
PARTNER  
M.NO: 150053  
Date: 01/09/2023  
Place: Mumbai  
UDIN: 23150053BGWJPH2800

For and on behalf of the Board of  
**Kshitij Polyline Limited**  
CIN: L25209MH2008PLC180484

sd/- (Bharat Gala) Managing Director  
DIN:01994342

sd/- (Mahendra Kumar Jain) Director  
DIN:09765526

sd/- (Rahul Shah) Chief Executive officer

sd/- (Manisha Dedhia) Chief Financial Officer

sd/-  
**(CS Deyaani Maheshwari)**  
Company Secretary

KSHITIJ POLYLINE LIMITED CIN:L25209MH2008PLC180484 Consolidated Statement of Profit and Loss for the period ending 31 March, 2023				Rs in Lacs
Particulars	Notes No.	For the Period Ending 31 March, 2023	For the Period ending 31 March, 2022	
Revenue from operations	16	3,397.53	3,903.71	
Other income	17	10.67	3.77	
<b>Total Income (I + II)</b>		<b>3,408.20</b>	<b>3,907.48</b>	
<b>Expenses :</b>				
(a) Cost of Material Consumed	18	2,328.24	2,929.78	
(c) Changes in Inventories	19	-43.80	-116.45	
(b) Employee benefits expense	20	521.90	515.76	
(c) Finance costs	21	155.17	207.47	
(d) Depreciation and amortisation expense	8	110.43	109.71	
(e) Other expenses	22	267.28	199.12	
<b>Total expenses</b>		<b>3,339.22</b>	<b>3,845.39</b>	
<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>68.98</b>	<b>62.10</b>	
Exceptional items (Prior Period Item)		-	-	
<b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>68.98</b>	<b>62.10</b>	
Extraordinary items		-	-	
<b>Profit / (Loss) before tax (7 + 8)</b>		<b>68.98</b>	<b>62.10</b>	
<b>Tax expense:</b>				
(a) Current tax expense for current year		17.93	9.69	
(b) (Less): MAT credit (where applicable)				
(c) Current tax expense relating to prior years				
(d) Excess/(Short) Provision of Income Tax Written Back				
(e) Deferred tax		5.78	10.84	
<b>Total(10)</b>		<b>23.71</b>	<b>20.53</b>	
<b>Profit / (Loss) for the year(9 +10)</b>		<b>45.26</b>	<b>41.56</b>	
<b>Brought Forward Profit</b>				
<b>Surplus Carried to Balance Sheet</b>				
<b>Earnings per share</b>				
(a) Basic				
(i) Continuing operations		0.00	0.41	
(b) Diluted				
(i) Continuing operations		0.00	0.41	
<b>Significant Accounting Policies and Notes to Account</b>	23			
<b>For VRCA &amp; ASSOCIATES</b> Chartered Accountants Firm Registration No: 104727W  sd/- <b>CA KRUNAL BRAHMBHATT</b> PARTNER M.NO: 150053 Date: 01/09/2023 Place: Mumbai UDIN: 23150053BGWJPH2800		For and on behalf of the Board of <b>Kshitij Polyline Limited</b> CIN: L25209MH2008PLC180484  sd/- <b>(Bharat Gala)</b> Managing Director DIN:01994342  sd/- <b>(Rahul Shah)</b> Chief Executive officer  sd/- <b>(Mahendra Kumar Jain)</b> Director DIN:09765526  sd/- <b>(Manisha Dedhia)</b> Chief Financial Officer  sd/- <b>(CS Deyaani Maheshwari)</b> Company Secretary		

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
Schedules Forming Part Of Balance Sheet As On 31 March 2023

Notes No. "1"-: SHARE CAPITAL

Particulars	As on 31 March 2023		As on 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
<b>(a) Authorised</b>				
Equity shares of Rs.10 each with voting rights	10,00,00,000	2,000.00	1,05,00,000	1,050.00
<b>(b) Issued</b>				
(i) Equity shares of `Rs.10 each with voting rights/Rs- 2/-	5,06,52,330	1,013.05	1,01,30,466	1,013.05
<b>(c) Subscribed and fully paid up</b>				
(i) Equity shares of `Rs.10 each with voting rights/Rs- 2/-	5,06,52,330	1,013.05	1,01,30,466	1,013.05
<b>Total</b>	<b>5,06,52,330</b>	<b>1,013.05</b>	<b>1,01,30,466</b>	<b>1,013.05</b>

Reconciliation of No. of Shares of each class of issued Capital

Particulars	Equity	
	Current Year	Prev. Year
No. of shares outstanding at the beginning of the Year of Rs.10/- each at par value/Rs.2/- each at par value	50652330	8683336
Bonus Issue during the year	0	1447130
Movement during the year (Funds raised by Initial Public Offer)	0	0
<b>Balance Shares Outstanding</b>	<b>50652330</b>	<b>10130466</b>

Money Recd Against Share Warrants Pending Allotment (ONLY 25% Money Recd)

Particulars	Equity	
	Current Year	
Abhishek Kumar Poddar	8.25	
Bhavishtya Ecommerce	239.25	
Chintan Shah	24.75	
Hemal Arunbhai Mehta	37.125	
Kamal Bhupatrai Parekh Huf	37.125	
Narendra Parshuram	24.75	0
	<b>371.25</b>	<b>0</b>

Details of Shareholders holding more than 5% of Total Shares :-  
Shares FV Rs 2/-

Particulars	Current Year as on 31/03/2023		Current Year	
	No. of Shares	%	No. of Shares	%
Mr. Bharat H. Gala	1,20,83,670	23.86%	28,65,700	28.28%
Mrs. Rita B Gala	28,11,100	5.55%	5,85,550	5.78%
Mr. Hemraj B Gala	1,19,66,825	23.63%	28,62,313	28.25%
	<b>2,68,61,595</b>		<b>63,13,563</b>	

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023

Notes No. "2":- RESERVES AND SURPLUS

PARTICULAR	Rs in Lacs	
	As on 31 March 2023	As on 31 March 2022
<b>PROFIT &amp; LOSS A/C:</b>		
<b>A. Securities Premium Reserve</b>		
As per last Balance Sheet	568.81	713.52
Add: Movement during the year		
Less: Used for allotment of Bonus Shares		144.71
<b>Closing balance at the end of the year</b>	<b>568.81</b>	<b>568.81</b>
<b>B. Surplus in Statement of Profit and Loss</b>		
Surplus at beginning of year	259.59	218.03
Less: Used for allotment of Bonus Shares		
Add: Net Profit For the current year	45.26	41.56
	304.86	259.59
<b>Total</b>	<b>873.66</b>	<b>828.40</b>

Notes No. "3":- LONG-TERM BORROWINGS

Particulars	Non-Current		Current	
	As at 31 March 2023	As at 31st March 2022	As at 31 March 2023	As at 31st March 2022
<b>Secured Loans</b>				
<b>Term Loan</b>				
From Bank	398.26	378.60	251.98	301.09
<b>Unsecured Loans</b>				
<b>Term Loan</b>				
From Others & NBFC	95.81	91.93	18.44	98.72
	<b>494.07</b>	<b>470.53</b>	<b>270.41</b>	<b>399.81</b>

Notes No. "4":-DEFERRED TAX LIABILITIES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Opening Balance	57.22	46.37
Add: Provisions	5.78	10.84
Less: Reversal		
<b>Total</b>	<b>63.00</b>	<b>57.22</b>

Notes No. "5":- SHORT TERM BORROWINGS

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>Secured</b>		
From Bank	<b>857.89</b>	856.31
(Secured against Stock, Debtors, and Property)		
<b>Unsecured</b>		
From Others	503.03	-
From Non-Banking Financial Institutions		
<b>Total</b>	<b>1,360.92</b>	<b>856.31</b>

Notes No. "6":-TRADE PAYABLE

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Due to for Less than six months	38.11	
Due to for more than six months	11.18	
Micro, Small and Medium Enterprises *		
Others	246.92	381.66
<b>Total</b>	<b>296.22</b>	<b>381.66</b>

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023  
Notes No. "7":- OTHER CURRENT LIABILITIES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Current Maturities of Long Term Borrowings (Note No. 3)	270.41	399.81
Loan from Related party	-	-
Deposits	9.26	19.00
Advance from Customers	47.11	-
Statutory Liabilities	22.77	0.69
Payable to Staff	30.31	20.69
Other Payables	3.26	1.91
Application for shares,pending allotment	-	-
<b>Total</b>	<b>383.12</b>	<b>442.09</b>

Notes No. "8":- Short - Term Provisions

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Provision for tax (Net of Tax)	17.93	9.69
<b>Total</b>	<b>17.93</b>	<b>9.69</b>

Note 9 : Long Term Loans and Advances

Particulars	As on 31 March 2023	As on 31 March 2022
<b>Unsecured and Considered Good</b>		
Capital Advances	76.39	115.90
Security Deposits	15.16	27.97
<b>Total</b>	<b>91.55</b>	<b>143.87</b>

Notes No. "10":- Other Non - Current Assets

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>Unsecured and Considered Good</b>		
Other Bank Balances	-	-
Fixed Deposits (maturity more than 12 months)	276.72	106.02
<b>Total</b>	<b>276.72</b>	<b>106.02</b>

Notes No. "11":- INVENTORIES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Raw Materials	487.39	427.01
Work in Process	141.15	133.30
Packing Materials	188.72	177.60
Finished goods	742.40	717.56
<b>Total</b>	<b>1,559.65</b>	<b>1,455</b>

Notes No. "12":- TRADE RECEIVABLES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>Unsecured, considered good;</b>		
Trade receivables due for more than six months	129.76	-
Other Trade receivables due for less than six months	452.69	607.04
<b>Total</b>	<b>582.46</b>	<b>607.04</b>

Notes No. "13":- CASH & CASH EQUIVALENTS

PARTICULAR	As on 31 March 2023	As on 31 March 2022
(a) Cash and Cash Equivalents		
Balances with banks		
- In current accounts	326.80	12.33
Cash on hand	7.02	13.60
(b) Other Bank Balances		
In Fixed Deposits having Original maturity more than 3 months		-
<b>Total</b>	<b>333.82</b>	<b>25.93</b>

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023

Notes No. "14":- SHORT TERM LOANS AND ADVANCES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Prepaid Expenses	64.13	55.95
Advance to Suppliers	110.84	128.95
Other Advances	487.27	368.18
Loan to Staff	30.17	29.86
MAT Credit Entitlement	3.48	3.48
Balance with Government Authorities	15.73	8.08
TCS Receivable	0.58	0.85
TDS Receivable	9.01	2.20
<b>Total</b>	<b>721.22</b>	<b>597.56</b>

Note 15 : Other current assets

Particulars	As on 31 March 2023	As on 31 March 2022
<b>Unsecured and considered good</b>		
Interest accrued but not due on Fixed Deposits		-
Interest Receivable	4.17	4.20
other current Assets	4.46	2.76
	<b>8.63</b>	<b>6.96</b>

Notes No. "16":- Revenue from Operations

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Sales of Goods	3,397.53	3,903.71
<b>Total</b>	<b>3,397.53</b>	<b>3,903.71</b>

Notes No. "17":- Other Income

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Duty Drawback	0.62	0.69
Other Income	-1.36	0.22
Foreign Exchange Fluctuation	0.75	2.87
Interest on FD	10.66	
<b>Total</b>	<b>10.67</b>	<b>3.77</b>

Notes No. "18":- Cost of Material Consumed

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Opening stock	427.01	378.68
Add: Purchases	2346.11	2,858.31
	2773.12	3,236.97
Less: Closing Stock	487.39	427.01
<b>Total</b>	<b>2285.73</b>	<b>2,809.96</b>
<b>Manufacturing Exp</b>		
Carriage inward		12.79
Packing expenses	<b>8.97</b>	51.92
Agency charges	<b>0.29</b>	0.66
Transport charges	<b>2.06</b>	26.90
Certification Charges	<b>0.55</b>	1.04
Clearing & Forwarding charges	<b>6.77</b>	26.51
Other Charges	23.89	
<b>Total</b>	<b>2,328.24</b>	<b>2,929.78</b>

KSHITIJ POLYLINE LIMITED  
CIN:L25209MH2008PLC180484  
SCHEDULES FORMING PART OF BALANCE SHEET AS on 31 March 2023

Notes No. "19":- Changes in Inventories

PARTICULAR	As on 31 March 2023	As on 31 March 2022
<b>STOCK IN TRADE</b>		
Opening stock of Finished Goods	717.56	636.31
Opening stock of Packing Material	177.60	157.49
Opening stock of WIP	133.30	118.21
Less: Closing stock of Finished Goods	742.40	717.56
Less: Closing stock of Packing Material	188.72	177.60
Less: Closing stock of WIP	141.15	133.30
<b>Difference</b>	<b>(43.80)</b>	<b>(116.45)</b>

Notes No. "20":- EMPLOYEES BENEFIT EXPENSES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Salaries & Wages	292.55	270.03
Directors' Remuneration	21.20	22.90
Contributions to Provident Fund	10.72	11.04
Staff welfare expenses	16.96	11.05
Contractor Labour Charges	180.46	200.74
Maharashtra Labour Welfare Fund	0.00	0.01
<b>Total</b>	<b>521.90</b>	<b>515.76</b>

Notes No. "21":- FINANCE COST

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Interest	145.66	196.33
Bank charges	7.63	8.40
Other Bank Charges	1.88	2.74
<b>Total</b>	<b>155.17</b>	<b>207.47</b>

Notes No. "22":- OTHER EXPENSES

PARTICULAR	As on 31 March 2023	As on 31 March 2022
Electricity Expenses	91.08	79.37
Repair & Maintenance	11.33	11.95
Remuneration to Auditors	1.50	-
Legal and Professional Fees	14.78	20.25
Travelling & Conveyance	5.97	3.15
Transport Expenses		2.47
Lodging and Boarding Expenses	1.09	0.94
Rent, Rates & Taxes	25.00	32.75
Insurance Expenses	5.70	-
Petrol and Diesel Expenses	18.16	18.50
Computer, Website & Software Expenses	6.86	0.63
Postage and Telephone Expenses & internet Expenses	4.42	6.22
Commission	10.99	5.44
Donation		0.17
Office Expenses	2.29	1.62
Shares Related Expenses	7.18	-
Advertisements and Sales Promotion Expense	27.10	9.94
Municipal Taxes	2.75	-
Other Expenses	10.93	1.76
Interest & Penalty Under Income Tax		0.26
Water Charges	0.07	0.33
Credit Card Expenses	0.26	-
Contract and Penal charges	1.44	
Printing & Stationery	2.04	
Discount Allowed	11.98	-
Stamp Duty and Registration Charges	0.28	0.20
Late Payment Charges	0.43	0.24
PF Penalty -Earlier Year		0.38
Toll Tax	0.68	1.47
Bonus Issue Expenses	2.80	0.93
Stock Audit Fees	0.16	0.14
<b>TOTAL</b>	<b>267.28</b>	<b>199.12</b>

**KSHITIJ POLYLINE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31 March 2023**

**Notes No. "8" :- TANGIBLE ASSETS & CAPITAL WORK IN PROGRESS**

PARTICULARS	RATE	GROSS BLOCK					DEPRECIATION			W.D.V. AS	W.D.V. AS
		01-04-2022	ADDITION More than 180 days	ADDITION Less than 180 days	DEDUCTION	31-03-2023	01-04-2022	YEAR	31-03-2023	ON 31.03.2023	ON 31.03.2022
COMPUTERS	63.16%	45,69,035	2,39,335	2,45,942	11,000	50,43,311	33,87,313	8,50,617	42,37,929	8,05,382	11,81,722
BUILDING	9.50%	3,59,47,235	6,35,722	4,63,000		3,70,45,957	1,44,66,348	20,90,598	1,65,56,947	2,04,89,011	2,14,80,887
FURNITURE & FIXTURES	25.89%	1,22,04,440	-	59,060	3,50,000	1,19,13,500	67,88,252	14,08,858	81,97,109	37,16,391	54,16,189
PLANT & MACHINERY	7.42%	12,58,45,739	44,39,687	15,47,600	6,39,000	13,11,94,026	6,06,24,109	54,79,235	6,61,03,344	6,50,90,681	6,52,21,629
OFFICE EQUIPMENT	45.07%	29,83,045	3,06,525	4,78,089	1,02,300	36,65,360	13,93,990	8,61,183	22,55,173	14,10,187	15,89,055
VEHICLES	31.23%	42,59,903	37,000	1,680		42,98,583	31,64,800	3,52,753	35,17,553	7,81,030	10,95,103
LAND		1,56,23,459	-			1,56,23,459		-	-	1,56,23,459	1,56,23,459
<b>TOTAL</b>		<b>20,14,32,856</b>	<b>56,58,269</b>	<b>27,95,371</b>	<b>11,02,300</b>	<b>20,87,84,196</b>	<b>8,98,24,812</b>	<b>1,10,43,243</b>	<b>10,08,68,055</b>	<b>10,79,16,142</b>	<b>11,16,08,044</b>

**KSHITIJ POLYLINE LIMITED**
**Consolidated Cash Flow Statement as on 31-Mar-2023**

Rs in Lacs

Particulars		As on 31 March 2023	As on 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Net profit before tax</b>	[A]	<b>68.98</b>	<b>62.10</b>
Adjustment for:			
Depreciation		110.43	109.71
Lease Rent Income			0.00
Interest Expense		145.66	196.33
Interest Income			0.00
Excess Depreciation			
Dividend Income			0.00
Total Adjustment	[B]	256.09	306.04
Operating profit before working capital changes	[C]=[A]+[B]	325.07	368.14
<b>Adjustment for changes in working capital :</b>			
(Increase) / Decrease in Inventories		-104.18	-164.81
Increase / (Decrease) in Trade Payables		-85.44	50.39
(Increase) / Decrease in Long Term Loans and Advances		52.32	0.00
(Increase) / Decrease in Short Term Loans and Advances		-123.66	-304.58
(Increase) / Decrease in Trade Receivable		24.59	345.69
(Increase) / Decrease in Other Current Asset		-1.67	-0.67
Increase / (Decrease) in Other Current liability		-58.97	110.93
Increase / (Decrease) in Provision		8.25	-6.45
Total	[D]	-288.77	30.51
Cash generated from operations	[E]=[C]+[D]	36.30	398.64
Taxes (Paid) / Received (Net of TDS)	[F]	-17.93	-9.69
Net cash generated from/(used in) operating activities	[G]=[E]+[F]	18.37	388.96
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets and adjustment of Capital Work in Progress		-73.51	-173.53
Proceeds from Fixed Deposits in bank			-18.64
Proceeds to Fixed Deposits in bank		-147.16	-62.84
Proceeds For investment			
Proceeds from sale of Fixed Assets			
Proceeds To acquire Property & Investment in Other Company		-220.00	
Capital advance Paid			
Other advance received			0.00
Security deposit received			
Advance to Related Parties			
Lease Rent Income			0.00
Dividend Income			0.00
Interest Income			0.00
Net cash generated from/(used in) investing activities	[H]	-440.67	-255.00

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of Equity Share/share warrants		371.25	
Proceeds from securities premium on issue of share			
Proceeds from/(Repayment of) Term Loan [Net]			0.69
Proceeds/ (Repayment) of Loan from Related Party			0.00
Proceeds from Overdraft Account		504.61	4.52
Interest Expense		-145.66	-196.33
Net cash generated from/(used in) financing activities	[I]	730.20	-191.12
Net Increase / (Decrease) in Cash & Cash equivalents	[J]=[G]+[H]+[I]	307.89	-57.17
Cash and cash equivalents at the beginning of the year	[K]	25.93	83.10
<b>Cash and cash equivalents at the end of the year</b>	<b>[J]+[K]</b>	<b>333.82</b>	<b>25.93</b>
Cash and cash equivalents comprise :			
Cash on hand		7.02	13.60
Balance with banks		326.80	12.33
Other Bank Balances			0.00
<b>Total cash and cash equivalents</b>		<b>333.82</b>	<b>25.93</b>
As per Books of Account produce before us <b>For VRCA &amp; ASSOCIATES</b> Chartered Accountants Firm Registration No: 104727W		For and on behalf of the Board of <b>Kshitij Polyline Limited</b> CIN: L25209MH2008PLC180484	
sd/- <b>CA KRUNAL BRAHMBHATT</b> PARTNER M.NO: 150053 Date: 01/09/2023 Place: Mumbai UDIN: 23150053BGWJPH2800	sd/- <b>(Bharat Gala)</b> Managing Director DIN:01994342	sd/- <b>(Mahendra Kumar Jain)</b> Director DIN:09765526	
	sd/- <b>(Rahul Shah)</b> Chief Executive officer	sd/- <b>(Manisha Dedhia)</b> Chief Financial Officer	
	sd/- <b>(CS Deyaani Maheshwari)</b> Company Secretary		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
31st MARCH, 2023

Note No. 23 : Other Notes to Financial Statements

(1) Capital and other Commitment

During the current year Rs.Nil/-, (P.Y Rs.Nil/-) / There are no such agreement are with any vendors or customer for business related transaction

(2) Contingent liabilities

Current year Rs.Nil (P.Y Nil)

(3) Deferred Taxation:

(Rs in Lacs)

Deferred Tax Assets/ (DTL)	Opening Balance	During the year	Closing Balance
As per Depreciation	(57)	(6)	(63)
<b>Deferred Tax assets / (DTL)</b>	<b>(57)</b>	<b>(6)</b>	<b>(63)</b>

(4) Value of Imports :

(Rs in Lacs)

Paticulars	2022-2023	2021-2022
Raw Material incl High seas purchases	278.40	-
Raw Material traded during the year	-	-
Packing Material	-	-
Capital Asset	-	19.14
Spares	-	-
<b>Total</b>	<b>278.40</b>	<b>19.14</b>

(5) Earning and Expenditure in Foreign Currency :

(Rs in Lacs)

Paticulars	2022-2023	2021-2022
Earning in Foreign Currency	42.32	120.93
Expenditure in foreign Currency		
Foreign Travelling	-	-
Capital Asset	-	-19.14
Import of Raw Material and Spares	-227.02	-80.28
<b>Total</b>	<b>-184.70</b>	<b>21.52</b>

(6) Value of Imported & Indigenous Raw Materials :

(Rs in Lacs)

Paticulars	2022-2023		2021-2022	
	%	Amount (Rs.)	%	Amount (Rs.)
<b>A) Raw Material Consumed</b>				
-Imported	9.03	227.02	2.81	80.28
-Indigenous	90.97	2,285.73	97.19	2,778.03
<b>Total</b>	<b>100.00</b>	<b>2,512.75</b>	<b>100.00</b>	<b>2,858.31</b>
<b>B) Fixed Asset And Spare Parts</b>				
-Imported	-	-	9.40	19.14
-Indigenous	100.00	84.54	90.60	184.39
<b>Total</b>	<b>100.00</b>	<b>84.54</b>	<b>100.00</b>	<b>203.53</b>

(7) Related Party Disclosure:

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", Relationships (during the year):

Name of the party	Relation
1. Key Management Personnel :	
a. Mr. Bharat H. Gala	Executive Director
b. Mr. Rahul D. Shah	Chief Executive Officer
c. Mr. Rushiraj Z. Patel	Independent Director
d. Mr. Rajul D. Visaria	Independent Director
e. Mr. Lal Singh Bhagrot	Executive Director
f. Mrs. Manisha Chordia	Non Executive Director
g. Mr. Mahendra Kumar Jain	Executive Director
h. Ms. Manisha Dedhia	Chief Financial Officer
i. Mr Rajat Manjrekar	Company Secretary
2. Relatives of Key Managerial Persons :	
a. Mr Hemraj. B. Gala	Relative of Director
b. Mrs Rita Bharat Gala	Relative of Director
3. Enterprises over which Key Managerial Persons are able to exercise significant influence :	
a. Hemraj B. Gala HUF	HUF concern of relative of director
b. Lucky Plastics	Proprietary concern of a director

(8) The following transactions were carried out with the related parties in the ordinary course of business:

		(Rs in Lacs)		
Sr.	Particulars	Type of Relationship	2022-23	2021-22
1	Directors Remuneration	Bharat H. Gala	26.00	19.00
2	Directors Remuneration	Rahul D. Shah	3.90	3.90
3	Remuneration Paid	Manisha Dedhia	3.33	3.10
4	Remuneration Paid	Rajat Manjrekar	0.35	2.10
5	Rent Received	Lucky Plastics	0.15	0.60
6	Purchase	Lucky Plastics	133.97	36.72
7	Sale of Goods	Lucky Plastics	513.21	87.53
8	Advance Given	Lucky Plastics	419.44	41.72
9	Commission Paid	Lucky Plastics	9.31	
10	Directors Remuneration	Manisha Chordia	12.00	
11	Directors Remuneration	Mahendra Kumar Jain	5.25	
12	Directors Remuneration	Rushiraj Z. Patel	0.60	
13	Directors Remuneration	Rajul D. Visaria	0.60	
14	Directors Remuneration	Lal Singh Bhagrot	6.00	

(9) Earnings per share (EPS)

		(Rs in Lacs)	
Particulars	2022-23	2021-22	
Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders (Rs.)	45.26	41.56	
Weighted Average number of equity shares	101.30	101.30	
Face Value per equity Share (Rs.)	10.00	10.00	
Basic and Diluted Earnings per Share (Rs.)	0.45	0.41	

(10) Retirement Benefits:

Disclosure in respect of Employee Benefits pursuant to Accounting Standard:- 15 (Revised): The Company has not provided for employee benefits during the F.Y 2022-23 and preceding previous year also.

(11) In the opinion of the Board of Directors, Current assets, Loans and Advances are of the value realizable in the ordinary course of business.

(12) The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprise Development

- Amounts due and outstanding to suppliers as at the end of the accounting year,
- Interest paid during the year,
- Interest payable at the end of the accounting year,
- Interest accrued and unpaid at the end of the accounting year,

(13) The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

As per our report of even date  
For VRCA & ASSOCIATES  
Chartered Accountants

sd/-  
**CA KRUNAL BRAHMBHATT**  
Partner  
Membership Number: 150053  
Firm Registration Number: 104727W  
Date: 01/09/2023  
UDIN: 23150053BGWJPH2800

For and on behalf of the Board of  
**Kshitij Polyline Limited**  
CIN: L25209MH2008PLC180484

sd/-  
**(Bharat Gala)**  
Managing Director  
DIN:01994342

sd/-  
**(Mahendra Kumar Jain)**  
Director  
DIN:09765526

sd/-  
**(Rahul Shah)**  
Chief Executive officer

sd/-  
**(Manisha Dedhia)**  
Chief Financial Officer

sd/-  
**(CS Deyaani Maheshwari)**  
Company Secretary

Schedule 23 Significant Accounting Policies & Notes annexed to and forming part of the Balance Sheet and Profit & Loss for the Year ended as on 31st March 2023

#### **A) Significant Accounting Policies**

##### **Basis of Accounting**

The accounts have been prepared under the historical cost on an accrual basis as a going concern. Revenue recognition and expenses incurred are accounted on accrual basis and applicable mandatory standards and in accordance with the requirements of the Companies Act, 2013.

##### **Use of Estimates**

The preparation and presentation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement and the reported revenues and expenses for the reporting year. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

##### **Revenue Recognition**

###### **Sales:**

Income from Product Sales/Services Charges is recognized upon completion of sales and rendering of the services respectively. Sales are inclusive of Taxes and Duties but accounted net of sales tax, whenever applicable. Income includes inter-divisional transfer at market price. The value of such inter divisional transfer is included in the value of materials purchase & sales.

###### **Dividend and Interest**

Dividend income from investments is recognized when right to receive to payment is established. Interest income is accounted on its accrual on a time proportion.

##### **Employees Remuneration**

The Company's contributions to the Provident Fund are charged to Profit & Loss for the period.

**Depreciation:**

i) Depreciation is charged on Fixed Assets (other than Goodwill) on Written Down Value and in the manner prescribed in Companies Act, 2013.

**Fixed Assets**

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets are put to use.

**Investments**

Investments are classified as long term Investment and carried at cost. Provision for diminution in value of long term investments is made only, if such a decline is not temporary, in the opinion of the management.

**Prior Period Expenses/Income:**

All identifiable items of income and expenditure pertaining to prior period are accounts as per "Prior Period

**Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

**Earnings Per Share**

The Company reports basic and deluted Earnings per share in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of euity shares, except where the results are anti-dilutive.

**Cash Flow Statement**

The Cash flow statement is prepared by the indirect method set out in Accounting standard 3 on Cash Flow statements and presents the cash flows by operating, investing and financing activities of the company. Cash and Cash equivalents presented in the cash flow statement consist of cash in hand and demand deposits with banks.

## MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

- a) For discharging the past debt obligations on behalf of Enki Glass Industries Private Limited, the Company, had offered a One Time Settlement (“OTS”) to Janaseva Sahakari Bank Ltd. and other consortium Bankers for ₹ 10,68,00,000/- out of which ₹2,24,07,356.47 had been paid on 13.04.2023 to Janaseva Sahakari Bank Ltd. in their no lien account.
- b) Pursuant to Shareholder’s approval through postal ballot and Scrutinizer’s report dated 22/06/2023 the Memorandum of Association of the Company had been altered by way of addition to Object clause of the Company.
- c) The Company had appointed Mr. Ruhini Kumar Chakraborty (DIN: 08124270) and Mr. Mayur Jitendra Thakar (DIN: 08156395) as Additional Independent Directors of the Company w.e.f. June 01, 2023.
- d) Acquisition of 51% shares of Sparion Infrastructure Private limited and as a result the Company becomes holding Company w.e.f. 01/06/2023.
- e) Mr. Rajat Manjrekar (Membership No. A56730) had resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. April 25, 2023.
- f) Mr. Lal Singh Bhagrot (DIN 00777334), Director of the company had resigned from the post of Director w.e.f. June 27, 2023.
- g) Mrs. Manisha Ravindra Dedhia, Chief Financial Officer of the Company had resigned from the post of CFO with effect from July 01, 2023.
- h) Mr. Rahul Devshi Shah, Chief Executive Officer of the Company had resigned from the post of Chief Executive officer with effect from July 05, 2023.
- i) Ms. Devyani Maheshwari (Membership No. A55704) was appointed as Company Secretary and Compliance Officer of the company with effect from July 11, 2023
- j) Mr. Rahul Shah was appointed as Chief Financial Officer of the Company with effect from July 11, 2023.
- k) Mr. Bharat Hemraj Gala (DIN:01994342), Managing Director of the Company was further appointed as Chief Executive Officer of the Company with effect from July 11, 2023.
- l) The Members of the Company by way of Postal Ballot dated August 28, 2023, had approved the; Appointment of Mr. Mayur Jitendra Thakar (DIN: 08156395) as Independent Director of the Company, Appointment of Mr. Ruhini Kumar Chakraborty (DIN: 08124270) as Independent Director of the Company, Appointment of Mr. Mahendra Kumar Jain (DIN: 09765526) as a Director of the Company, Re-appointment of Ms. Rajul Visaria Dhimant (DIN: 07038456) as Independent Director of the Company, Re-appointment of Mr. Rushiraj ZaverBhai Patel (DIN: 08017580) as Independent Director of the Company.
- m) The shareholders of the Company at 15<sup>th</sup> AGM of Kshitij Polyline Limited ('the Company') held on Wednesday, September 27, 2023 approved Re-appointment of Mr. Bharat Hemraj Gala (DIN: 01994342) as Managing Director of the Company for a period of three years.
- n) Resignation of Ms Rajul Dhimant Visaria, Independent Directors of the company due to her pre-occupation, with effect from December 20, 2023.
- o) Resignation of Mr Rahul Ramesh Shah, Chief financial Officer of the company due to personal reasons, with effect from November 22, 2023.
- p) Resignation of Mr. Bharat Hemraj Gala, Managing Director and Chief Executive Officer of the company due to personal reasons and pre-occupation, with effect from October 19, 2023.
- q) The Board of Directors at its meeting held on 19/10/2023 cancelled warrants issued to M/s. Bhavishya E-Commerce Private Limited
- r) The Company had applied in NCLT for M/s. Omkar Speciality Chemicals Limited for bidding process, company had paid security deposit of Rupees 1.425 Crore.
- s) The Board of Directors at their meeting held on Thursday, December 07, 2023, had approved the forfeiture of the consideration paid by allottees in respect of 16,00,000 Convertible Warrants allotted by the Company on 14/10/2022.
- t) The company had further acquired/purchased 4900 Equity shares of M/s Sparion Infrastructure Private Limited bearing (CIN: U74110MH2015PTC261349) making it a wholly owned subsidiary of the Company on 03/01/2024.
- u) Pursuant to approval of Board vide resolution passed on April 2, 2023 and shareholders vide April 29, 2024, the Company has sold its investment in material subsidiary –Sparion Infrastructure Private Limited by 51 % pursuant to which it ceased to be a wholly owned subsidiary of the Company and has become an associate of the Company.
- v) Mrs. Vineeta Jain has been appointed as wholetime Director of the Company w.e.f. January 31, 2024.
- w) Ms. Devyani Maheshwari has resigned from the position of Company Secretary w.e.f. 17/04/2024
- x) The Company has taken approval of Members for material related party transactions for FY 2024-25.
- y) The Company has appointed M/s. Ronak Jhuthawat & Co. as Secretarial Auditor for the F.Y. 2023-24.
- z) The Company has appointed M/s. Valawat & Associates, as Internal Auditor for the F.Y. 2023-24.
- aa) Ms. Nikita Mehta was appointed as Company Secretary and Compliance Officer of the company w.e.f. June 18, 2024

## ACCOUNTING RATIOS

Unless context requires otherwise, the following tables present certain accounting and other ratios derived from the relevant Audited Financial Statements. For details see “Financial Information” on page 81.

(₹ in Lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
<b>Basic and Diluted Earnings Per Share (₹)</b>			
<b>Basic Earnings Per Share (Basic EPS)</b>			
Net profit / (loss) after tax, attributable to equity shareholders	(55.51)	38.53	41.56
Weighted average number of Equity Shares outstanding	506.52	506.52	101.30
<b>Basic EPS in ₹</b>	<b>(0.11)</b>	<b>0.08</b>	<b>0.41</b>
<b>Face value in ₹</b>	<b>2.00</b>	<b>2.00</b>	<b>10.00</b>
<b>Diluted Earnings Per Share (Diluted EPS)</b>			
Net profit / (loss) after tax, attributable to equity shareholders	(55.51)	38.53	41.56
Weighted average number of Equity Shares considered for calculating Diluted EPS	506.52	506.52	101.30
<b>Diluted EPS in ₹</b>	<b>(0.11)</b>	<b>0.08</b>	<b>0.41</b>
<b>Face value in ₹</b>	<b>2.00</b>	<b>2.00</b>	<b>10.00</b>
<b>Net Asset Value Per Equity Share (₹)</b>			
Net Asset Value (Net-worth)	1,811.94	1,867.45	1,841.45
Number of equity shares outstanding at the end of the period/year	506.52	506.52	101.30
Number of adjusted equity shares outstanding at the end of the period /year	506.52	506.52	101.30
<b>Net Assets Value per equity share (₹)</b>	<b>3.58</b>	<b>3.69</b>	<b>18.18</b>
<b>Return on Net worth</b>			
Net Profit / (loss) after tax	(55.51)	38.53	41.56
Net worth	1,811.94	1,867.45	1,841.45
<b>Return on net worth</b>	<b>(3.06)</b>	<b>2.06</b>	<b>2.26</b>
<b>EBITDA</b>			
Profit / (loss) after tax (A)	(55.51)	38.53	41.56
Remeasurement Of The Net Defined Benefit Liability / Asset	(0.72)	(2.03)	-
Income tax expense (B)	5.10	23.71	20.53
Finance costs (C)	178.18	162.65	207.47
Depreciation and amortization expense (D)	116.97	127.50	109.71
<b>EBITDA (A+B+C+D)</b>	<b>244.02</b>	<b>350.36</b>	<b>379.27</b>
EBIT	127.05	222.86	269.56
Revenue from Operation	3421.98	3,397.53	3,903.71
<b>Operating Profit Margin</b>	<b>3.71</b>	<b>6.56</b>	<b>6.91</b>
<b>Net Profit Margin</b>	<b>(1.62)</b>	<b>1.13</b>	<b>1.06</b>

**Note:**

Based on Audited Financial Statements for the year ended on FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 dated May 29, 2024, September 01, 2023, May 24, 2022 and June 26, 2021 issued by the Statutory Auditor.

The ratios have been computed as per the following formulae:

- (i) **Basic and Diluted Earnings per Share:** Net Profit after tax for the year attributable to equity shareholders / Weighted average number of equity shares outstanding during the year
- (ii) **Net Assets Value (NAV):** Net Asset Value at the end of the year / Number of equity shares outstanding at the end of the year
- (iii) **Return on Net worth (%):** Net Profit after tax for the year, attributable to equity shareholders / Net worth (excluding revaluation reserve) at the end of the year
  - Net-worth (excluding revaluation reserve), means the aggregate value of the paid-up share capital (including shares pending allotment) and securities premium account, after adding surplus in Statement of Profit and Loss.
- (iv) **EBITDA:** Profit/(loss) after tax for the period adjusted for income tax, expense, finance costs, depreciation and amortization expense, as presented in the restated financial statement of profit and loss.

- (v) **Operating Profit margin:** Operating profit margin is calculated as Earnings before interest & tax (EBIT) for the year/period divided by Revenue from operations for the respective year/period. EBIT is calculated as EBITDA (as explained above) less depreciation & amortisation expenses for the respective year/period.
- (vi) **Net Profit margin** Net profit margin is calculated as Profit/(loss) after tax for the year/period divided by Revenue from operations for the respective year/period.

## MANAGEMENT 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 the “Financial Statements” beginning on page 81 of this Letter of Offer.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read “Risk Factors” and “Forward Looking Statements” beginning on page 22 and 14, respectively of this Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our financial statements included in this Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2022 included herein is based on the Audited Financial Statements included in this Letter of Offer. For further information, see “Financial Statements” beginning on page 81 of this Letter of Offer.*

*Neither we, nor any of our affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see “Presentation of Financial and other Information” beginning on page 12 of this Letter of Offer.*

### OVERVIEW OF OUR BUSINESS

We are engaged in the business of Manufacturing, marketing, sourcing of Plastic Sheet, lamination sheet, folders, I card and files having wide application in printing and stationery. Our manufacturing facility is designed for PP sheet production, plastic files production, WIRO production, Laminating pouch production.

Our company has successfully launched wide products range, established goodwill for quality products and have the regular clients for the laminated & PP sheet, Wiro, File and folders. Our company has developed and launched more than 125 products range in File, Folder & Diary under our Brand in Indian Market. Further our company has supply – Make to order – ID card with ribbon, File & Folder with client Logo and Info, Display materials for Education, Pharma, FMCG, Finance and Insurance sectors.

Our manufacturing facility is situated at Amla Village, Silvassa, DNH & DD and GIDC, Sarigam, Gujarat.

For further details, refer chapter titled “Business Overview” on page 59.

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 22. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations of our manufacturing units;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to attract and retain qualified personnel;
- Our ability to maintain and enhance our brand image;
- Our ability to successfully execute our expansion strategy in a timely manner.
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our reliance on third party suppliers for our products;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;

- Market fluctuations and industry dynamics beyond our control;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- Any adverse development that may affect the operations of our manufacturing units; The performance of the financial markets in India and globally;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with our Subsidiary, Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

### SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details see “Financial Information” on page 81.

### CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter titled “Financial Information” on page 81, There has been no change in accounting policies for the period which has been included in this Letter of Offer.

### RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, please refer chapter titled “Financial Information” on page 81 of this Letter of Offer.

### RESULTS OF OUR OPERATIONS

The following table sets forth, for the periods indicated, certain items from our audited standalone financial statements for the year ended March 31, 2024, 2023 and 2022 in each case also stated as a percentage of our total income:

(₹ In Lakhs)

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Amount	(%)*	Amount	(%)*	Amount	(%)*
<b>Revenue</b>						
Revenue from Operations	3,421.98	85.59%	3,397.53	99.69%	3,903.71	99.90%
Other Incomes	576.34	14.41%	10.67	0.31%	3.77	0.10%
<b>Total Income</b>	<b>3,998.32</b>	<b>100.00%</b>	<b>3,408.20</b>	<b>100.00%</b>	<b>3,907.48</b>	<b>100.00%</b>
<b>Expenses:</b>						
Cost of Materials Consumed	3,168.50	79.25%	2,328.24	68.31%	2,929.78	74.98%
Changes in Inventory of FG, WIP and Stock in trade	(317.84)	-7.95%	-43.80	-1.29%	-116.45	-2.98%
Employee Benefit Expenses	573.91	14.35%	527.20	15.47%	515.76	13.20%
Finance Costs	178.18	4.46%	162.65	4.77%	207.47	5.31%
Depreciation & Amortization	116.97	2.93%	127.50	3.74%	109.71	2.81%
Other Expenses	329.73	8.25%	246.19	7.22%	199.12	5.10%
<b>Total Expenses</b>	<b>4,049.46</b>	<b>101.28%</b>	<b>3,347.99</b>	<b>98.23%</b>	<b>3,845.39</b>	<b>98.41%</b>
<b>Profit/(Loss) before exceptional item and Tax</b>	<b>(51.14)</b>	<b>-1.28%</b>	<b>60.21</b>	<b>1.77%</b>	<b>62.1</b>	<b>1.59%</b>
Exceptional Items	-	-	-	-	-	-
<b>Profit before Tax</b>	<b>(51.14)</b>	<b>-1.28%</b>	<b>60.21</b>	<b>1.77%</b>	<b>62.1</b>	<b>1.59%</b>
<b>Tax Expenses:</b>						

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Amount	(%)*	Amount	(%)*	Amount	(%)*
(i) Current tax	-	-	17.93	0.53%	9.69	0.25%
(ii) Deferred Tax	5.10	0.13%	5.78	0.17%	10.84	0.28%
<b>Total Tax Expenses</b>	<b>5.10</b>	<b>0.13%</b>	<b>23.71</b>	<b>0.70%</b>	<b>20.53</b>	<b>0.53%</b>
<b>Profit/ (Loss) After Tax</b>	<b>(56.23)</b>	<b>-1.41%</b>	<b>36.50</b>	<b>1.07%</b>	<b>41.56</b>	<b>1.06%</b>
<b>Other Comprehensive Income</b>						
a) Items that will not be reclassified to profit or loss	(0.72)	-0.02%	(2.03)	-0.06%	-	-
b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(0.72)</b>	<b>-0.02%</b>	<b>(2.03)</b>	<b>-0.06%</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period</b>	<b>(55.51)</b>	<b>-1.39%</b>	<b>38.53</b>	<b>1.13%</b>	<b>41.56</b>	<b>1.06%</b>

\*(%) column represents percentage of total revenue.

The following table sets forth, for the periods indicated, certain items from our audited consolidated financial statements for the year ended March 31, 2024 and 2023 in each case also stated as a percentage of our total income:

(₹ In Lakhs)

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023	
	Amount	(%)*	Amount	(%)*
<b>Revenue</b>				
Revenue from Operations	5,940.40	89.74%	3,397.53	99.69%
Other Incomes	678.89	10.26%	10.67	0.31%
<b>Total Revenue</b>	<b>6,619.29</b>	<b>100.00%</b>	<b>3,408.20</b>	<b>100.00%</b>
<b>Expenses:</b>				
Cost of Materials Consumed	5,405.22	81.66%	2,328.24	68.31%
Changes in Inventory of FG, WIP and Stock in trade	(318.19)	-4.81%	(43.8)	-1.29%
Employee Benefit Expenses	581.98	8.79%	527.20	15.31%
Finance Costs	217.98	3.29%	162.65	4.55%
Depreciation & Amortization	116.97	1.77%	127.50	3.24%
Other Expenses	380.58	5.75%	246.19	7.84%
<b>Total Expenses</b>	<b>6,384.55</b>	<b>96.45%</b>	<b>3,347.99</b>	<b>97.98%</b>
<b>Profit/(Loss) before exceptional item and Tax</b>	<b>234.74</b>	<b>3.55%</b>	<b>60.21</b>	<b>2.02%</b>
Exceptional Items	-	-	-	-
<b>Profit before Tax</b>	<b>234.74</b>	<b>3.55%</b>	<b>60.21</b>	<b>2.02%</b>
<b>Tax Expenses:</b>				
(i) Current tax	68.48	1.03%	17.93	0.53%
(ii) Deferred Tax	4.95	0.07%	5.78	0.17%
<b>Total Tax Expenses</b>	<b>73.43</b>	<b>1.11%</b>	<b>23.71</b>	<b>0.70%</b>
<b>Profit/ (Loss) After Tax</b>	<b>161.32</b>	<b>2.44%</b>	<b>36.50</b>	<b>1.33%</b>
<b>Other Comprehensive Income</b>				
a) Items that will not be reclassified to profit or loss	(0.72)	-0.01%	-2.03	-
b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(0.72)</b>	<b>-0.01%</b>	<b>-2.03</b>	<b>-</b>
<b>Total Comprehensive Income for the period</b>	<b>162.04</b>	<b>2.45%</b>	<b>38.53</b>	<b>1.33%</b>

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\*(%) column represents percentage of total revenue.

## COMPARISON OF HISTORICAL RESULTS OF OPERATIONS

### *Fiscal 2023 compared to Fiscal 2022*

#### **Total Revenue**

Our total revenue for the Fiscal 2023 was ₹ 3,408.20 lakhs as compared to ₹ 3,907.48 lakhs for the Fiscal 2022, representing decrease of 12.28%. Total revenue is bifurcated into revenue from operations and other income.

#### **Revenue from operations**

During the Fiscal 2023, the revenue from operations of our company decreased to ₹ 3,397.53 lakhs as against ₹ 3,903.71 lakhs for the Fiscal 2022, a decrease of 12.97%. Due to scarcity of raw material and high prices of our product in the market there was less procurement which resulted in reduction of revenue from operations.

#### **Other income**

Other income for Fiscal 2023 was ₹ 10.67 lakhs as compared to ₹ 3.77 lakhs for the Fiscal 2022, representing an increase of 183.02%.

#### **Expenses**

##### **Cost of materials consumed**

Cost of materials consumed for the Fiscal 2023 was ₹ 2,328.24 lakhs as compared to ₹ 2,929.78 lakhs for the Fiscal 2022 representing a decrease of 20.53%. Reduction in cost of material consumed is due to reduction in revenue from operations of the company.

##### **Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress**

The changes in inventories of finished goods, stock-in-trade and work in progress for the fiscal 2023 recorded an increase decrease to ₹ (43.80) lakhs from ₹ (116.45) lakhs for the fiscal 2022 representing an overall increase of 62.39%.

##### **Employee benefit expenses**

Our Company has incurred ₹ 527.20 lakhs employee benefit expense for the Fiscal 2023 as compare to ₹ 515.76 lakhs for the Fiscal 2022, representing an increase of 2.22%. Increase in Employee benefit cost is due to regular increase in salary and wages.

##### **Finance cost**

Finance cost for the Fiscal 2023 was ₹ 162.65 lakhs as compared to ₹ 207.47 lakhs for the Fiscal 2022, representing a decrease of 21.60%. Decrease in financial cost is due to decrease in term liabilities and decrease in utilization of working capital during F.Y. 2022-23 as compared with F.Y. 2021-22.

##### **Depreciation and Amortization Expense**

Depreciation and amortization expense for the Fiscal 2023 was ₹ 127.50 lakhs as compared to ₹ 109.71 lakhs for the Fiscal 2022, representing an increase of 16.22%.

##### **Other expenses**

Other expenses for the Fiscal 2023 was ₹ 246.19 lakhs as compared to ₹ 199.12 lakhs for the Fiscal 2022, representing increase of 23.64%. This decrease pertains major reduction in Stores and consumable, Power and Fuel and Transportation expenses which are in the nature of direct expenses linked to Revenue from Operations.

##### **Profit/Loss before Tax**

The profit/(loss) before tax for the Fiscal 2023 of ₹ 60.21 lakhs as compared to ₹ 62.10 lakhs showing an increase of 3.04%.

#### ***Profit/Loss after Tax***

Our Company's profit after tax for the Fiscal 2023 of ₹ 36.50 lakhs depicts an increase of 12.18% over the profit after tax for the Fiscal 2022 of ₹ 41.56 lakhs.

#### ***Fiscal 2024 compared to Fiscal 2023***

##### ***Total Revenue***

Our total revenue for the Fiscal 2024 was ₹ 3,998.32 lakhs as compared to ₹ 3,408.20 lakhs for the Fiscal 2023, representing increase of 17.31%. Total revenue is bifurcated into revenue from operations and other income.

##### ***Revenue from operations***

During the Fiscal 2024, the revenue from operations of our company decreased to ₹ 3,421.98 lakhs as against ₹ 3,397.53 lakhs for the Fiscal 2023, a decrease of 0.72%.

##### ***Other income***

Other income for Fiscal 2024 was ₹ 576.34 lakhs as compared to ₹ 10.67 lakhs for the Fiscal 2023, representing an increase of 5,301.50%.

#### ***Expenses***

##### ***Cost of materials consumed***

Cost of materials consumed for the Fiscal 2024 was ₹ 3,168.50 lakhs as compared to ₹ 2,328.24 lakhs for the Fiscal 2023 representing an increase of 36.09%. Increase in cost of material consumed is due to increase in raw materials prices.

##### ***Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress***

The changes in inventories of finished goods, stock-in-trade and work in progress for the fiscal 2024 recorded decrease to ₹ (317.84) lakhs from (43.80) lakhs for the fiscal 2023 representing an overall decrease of 625.66%.

##### ***Employee benefit expenses***

Our Company has incurred ₹ 573.91 lakhs employee benefit expense for the Fiscal 2024 as compare to ₹ 527.20 lakhs for the Fiscal 2023, representing an increase of 8.86%. Increase in Employee benefit cost is due to regular increase in salary and wages.

##### ***Finance cost***

Finance cost for the Fiscal 2024 was ₹ 178.18 lakhs as compared to ₹ 162.65 lakhs for the Fiscal 2023, representing an increase of 9.55%. Increase in financial cost is due to increase in term liabilities and increase in utilization of working capital during F.Y. 2023-24 as compared with F.Y. 2022-23.

##### ***Depreciation and Amortization Expense***

Depreciation and amortization expense for the Fiscal 2024 was ₹ 116.97 lakhs as compared to ₹ 127.50 lakhs for the Fiscal 2023, representing decrease of 8.26%.

##### ***Other expenses***

Other expenses for the Fiscal 2024 was ₹ 329.73 lakhs as compared to ₹ 246.19 lakhs for the Fiscal 2023, representing increase of 33.93%. This increase pertains major increase in Stores and consumable, Power and Fuel and Transportation expenses which are in the nature of direct expenses linked to Revenue from Operations.

#### ***Profit/Loss before Tax***

The profit/(loss) before tax for the Fiscal 2024 of ₹ (51.14) lakhs as compared to ₹ 60.21 lakhs showing an decrease of 184.93%.

### **Profit/Loss after Tax**

Our Company's profit after tax for the Fiscal 2024 of ₹ (56.23) lakhs depicts decrease of 254.06% over the profit after tax for the Fiscal 2023 of ₹ 36.50 lakhs.

### **CASH FLOWS**

The table below summaries our cash flows from our Audited Financial Information for the financial year ended March 31, 2024, 2023 and 2022;

Particulars	For the year ended March 31		
	2024	2023	2022
Net cash generated from / (used in) Operating activities	(498.95)	(126.88)	388.96
Net cash generated from / (used in) Investing activities	(212.03)	(450.67)	(255.00)
Net cash generated from / (used in) from Financing activities	396.25	875.86	(191.12)
<b>Net Increase / (decrease) in Cash &amp; Cash Equivalents</b>	<b>(314.73)</b>	<b>298.31</b>	<b>-57.17</b>
Cash and cash equivalents at the beginning of the year	324.24	25.93	83.10
Cash and cash equivalents at the end of the year	9.51	324.24	25.93

### **RELATED PARTY TRANSACTIONS**

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products, remuneration, sitting fees, borrowings, deposits, rent, interest, reimbursements, disinvestments, employee benefit expenses, corporate social responsibility, contribution to gratuity fund, etc. For further details of such related parties under Ind AS-24, refer chapter titled "Financial Information" beginning on page 81 of this Letter of Offer.

### **CONTINGENT LIABILITIES**

The following table sets forth our contingent liabilities and commitments as on March 31, 2024, March 31, 2023 and March 31, 2022 as per audited financial statements:

Particulars	(₹ in Lakhs)		
	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
<b>Contingent Liabilities:</b>	-	-	-

### **OFF-BALANCE SHEET ARRANGEMENTS**

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

### **QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of security deposits, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk - Foreign Currency, Market risk - Foreign Currency, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further, the Audit Committee has additional oversight in the area of financial risks and controls. For further details of such risk, refer chapter titled "Financial Information" beginning on page 81 of this Letter of Offer.

### **UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS**

Except as described elsewhere in this Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

## SIGNIFICANT ECONOMIC/REGULATORY CHANGES

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "Risk Factors" on page 22.

Except as disclosed in this Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

## EXPECTED 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" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on pages 22 and 85, respectively, and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

## 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

Changes in revenue in the last three financial years are as explained in the financial year 2024 compared to financial year 2023 and financial year 2022.

## COMPETITIVE CONDITIONS

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the manufacturing and processing industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 22 of this Letter of Offer.

## TOTAL TURNOVER OF EACH MAJOR BUSINESS SEGMENT

We fall under a single segment "Manufacturing of PP, PVC profiles and other stationery items and COVID-19 related product like Mask and face shield". Hence, segment reporting is not applicable as per Indian Accounting Standard (AS) - 108 Operating Segments. However, based on Secondary Segment based on Geography following are the bifurcation:

Particulars	For the year ended on March 31,		
	2024	2023	2022
Domestic	3,296.22	3,293.37	3,788.01
Export (including deemed export through SEZ)	125.77	104.17	115.70
<b>Total</b>	<b>3,421.98</b>	<b>3,397.54</b>	<b>3,903.71</b>

(₹ In Lakhs)

## NEW PRODUCT OR BUSINESS SEGMENT

Except as disclosed in "Business Overview" on page 59, we have not announced and do not expect to announce in the near future any new products or business segments.

## SEASONALITY OF BUSINESS

Our Company's business is not seasonal in nature.

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## **SIGNIFICANT DEVELOPMENTS SINCE LAST BALANCE SHEET DATE**

Except as disclosed above and in this Letter of Offer, including under “*Business Overview*”, “*Risk Factors*” and “*Material Developments*” on pages 59, 22 and 82 respectively, to our knowledge no circumstances have arisen since March 31, 2024, the date of the last financial information disclosed in this Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.*

*Our Board of Directors, in its meeting held on January 31, 2024 determined that outstanding litigation involving our Company, its directors, its promoters and group companies shall be considered material (“Material Litigation”) if:*

- a. The aggregate amount involved in such individual litigation exceeds 10% of profit after tax of the Company, as per the last audited financial statements for F.Y. 2022-23; or*
- b. Where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 10% of the profit after tax - of the Company as per the last audited financial statements for F.Y. 2022-23, if similar litigations put together collectively exceed 10% of the profit after tax of the Company; or*
- c. Litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.*

*Our Board of Directors, in its meeting held on January 31, 2024 determined that nature and extent of outstanding dues of the Company and the nature and extent of the business operations undertaken by the Company, the dues owed by the Company to the small-scale undertakings and other creditors exceeding 10% of the Company's trade payables for the financial statements as at March 31, 2024 shall be considered as material dues for the Company for the purpose of disclosure in Letter of Offer. (“Material Dues”).*

*Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.kshitijpolyline.co.in](http://www.kshitijpolyline.co.in).*

*Our Company, its Directors and its Promoters are not Wilful Defaulters or fraudulent borrowers and there have been no violations of securities laws in the past or pending against them.*

#### **A. LITIGATION INVOLVING OUR COMPANY:**

##### **LITIGATION FILED AGAINST OUR COMPANY:**

###### **(i). All criminal proceedings:**

Nil

###### **(ii). All actions by regulatory authorities and statutory authorities:**

Nil

###### **(iii). Claims related to direct and indirect taxes:**

###### **Direct Tax:**

###### **Income Tax:**

1. The Income Tax Department has issued the Demand Notice No. 2019201837052139763C demanding amount of ₹ 0.31 Lakh. Since the Demand notice is not available on the Income Tax portal, exact nature of demand can not be ascertained. However, the Company has claimed that on the basis of principle laid down in the Vinay Cement

213 CTR 268, the Company can get the extended benefit provided in 2<sup>nd</sup> provision of 43B, since the Company has made payment before due date of filing of return.

- The Income Tax Department has issued Communication Reference No. CPC/1819/G22/1880119030 dated January 19, 2019, intimating the adjustment by way of addition of ₹ 0.92 Lakh in total income since Any sum received from employees as contribution to any provident fund or superannuation fund or any fund set up under ESI Act or any other fund for the welfare of employees to the extent not credited to the employees account on or before the due date [36(1)(va)] shall not be allowed as deduction while computing total taxable income.

**Tax Deducted at Source (TDS):**

- Following TDS demand is payable by the Company for the F.Y. 2022-23:

Quarter	Form Type	Net Payable (₹ in Lakh)
Q1	26Q	0.03
Q3	24Q	0.01
Q3	26Q	0.03
Q4	24Q	0.98
Q4	26Q	0.23
	<b>Total</b>	<b>1.28</b>

- Following TDS demand is payable by the Company for the F.Y. 2023-24:

Quarter	Form Type	Net Payable (₹ in Lakh)
Q1	24Q	0.06
Q1	26Q	0.11
Q2	26Q	0.51
Q3	26Q	0.00
	<b>Total</b>	<b>0.68</b>

**(iv). Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR COMPANY:**

- All criminal proceedings:

Sr. No	Name of the Complainant/ Plaintiff	Name of the Accused/ Respondent	Case Type, Case No. and date of filing	Name of the Court	Case Details	Amount Involved (₹ in Lakh)	Current Status, Stage and Hearing Status of the Case
1.	Kshitij Polyline Limited	Brij Laxmi Paper Products Pvt Ltd	Special Civil Suit (Commercial) - 107/2018 dated October 24, 2018	Hon'ble Principal District and Sessions Court at Silvassa	Recovery of the Pending dues	4.35 and Interest @ 24.00%	As per order of Hon'ble District Court, Silvassa, as referred, this suit be registered as Special Civil Suit at it's original suit number
2.	Kshitij Polyline Limited	Rudra Plast	Special Darkhast – 2/2021 dated February 5, 2021	Hon'ble Civil Judge SD and Chief Judicial Megistrate	Recovery of the Pending dues	0.98 and Interest @ 24.00%	<b>Last date of Hearing:</b> April 23, 2024 <b>Next Date of Hearing:</b> July 2, 2024

Sr. No	Name of the Complainant/Plaintiff	Name of the Accused/Respondent	Case Type, Case No. and date of filing	Name of the Court	Case Details	Amount Involved (₹ in Lakh)	Current Status, Stage and Hearing Status of the Case
3.	Kshitij Polyline Limited	Chintamani Plastics	Special Darkhast – 3/2021 dated February 5, 2021	Hon'ble Civil Judge SD and Chief Judicial Magistrate	Recovery of the Pending dues	3.72 and Interest @ 24.00%	<b>Last date of Hearing:</b> April 23, 2024 <b>Next Date of Hearing:</b> July 2, 2024
4.	Kshitij Polyline Limited	B2B Stationery, Rajesh Vaghasiya	Summons Private Cases SS – 4400935/2021 dated March 18, 2021	Hon'ble Addl. Chief Metropolitan Megistrate, Andheri	Recovery of the Pending dues and Dishonored of Cheque under Section 138 r.w. 142 of the Negotiable Instruments Act, 1881	2.62	<b>Last date of Hearing:</b> April 3, 2024 <b>Next Date of Hearing:</b> August 28, 2024
5.	Kshitij Polyline Limited	Latif Ladha	Summons Private Cases SS – 4400934/2021 dated March 18, 2021	Hon'ble Addl. Chief Metropolitan Megistrate, Andheri	Recovery of the Pending dues and Dishonored of Cheque under Section 138 r.w. 142 of the Negotiable Instruments Act, 1881	0.28	<b>Last date of Hearing:</b> April 3, 2024 <b>Next Date of Hearing:</b> August 28, 2024

**(ii). Other Matters based on Materiality Policy of our Company:**

Nil

**B. LITIGATION INVOLVING OUR PROMOTERS:**

**LITIGATIONS AGAINST OUR PROMOTERS:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to direct and indirect taxes:**

**Direct Tax:**

Nil

**Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR PROMOTERS:**

**(i). All criminal proceedings:**

Nil

**(ii). Other Matters based on Materiality Policy of our Company:**

Nil

**C. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS):**

**LITIGATION FILED AGAINST OUR DIRECTORS (OTHER THAN PROMOTERS):**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to direct and indirect taxes:**

**Direct Tax:**

Nil

**Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR DIRECTORS (OTHER THAN PROMOTERS):**

**(i). All criminal proceedings:**

Nil

**(ii). Other Matters based on Materiality Policy of our Company:**

Nil

**D. LITIGATION INVOLVING OUR GROUP COMPANIES:**

**LITIGATION FILED AGAINST OUR GROUP COMPANIES:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to direct and indirect taxes:**

**Direct Tax:**

Nil

**Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR GROUP COMPANIES:**

**All criminal proceedings:**

Nil

**(i). Other Matters based on Materiality Policy of our Company:**

Nil

**E. OUTSTANDINGS DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES OR ANY OTHER CREDITORS:**

In accordance with our Company's materiality policy dated January 31, 2024, below are the details of the Creditors where there are outstanding amounts as on March 31, 2024:

S No.	Particulars	Amount (₹ in Lakh)
1.	<b>Material Creditors</b>	
	Dues to Micro, Small & Medium Enterprises	116.99
	Dues to creditors other than MSME	-
2.	<b>Non-Material Creditors</b>	
	Dues to Micro, Small & Medium Enterprises	-
	Dues to creditors other than MSME	140.04
	<b>Total</b>	<b>257.03</b>

**F. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET:**

Except as mentioned under the chapter - "Management Discussion and Analysis of Financial Condition and Result of Operation" on page 85 of this Letter of Offer, there have been no material developments, since the date of the last audited balance sheet.

## GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Letter of Offer) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake the Offer and our current/ proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Letter of Offer.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.

### A) APPROVALS FOR THE ISSUE

#### Corporate Approvals

1. Our Board has pursuant to a resolution passed at its meeting dated on January 31, 2024, under Section 62(1)(a) of the Companies Act 2013, authorized the Issue of Right Equity Shares.
2. Our Company has obtained an In-principle approval from the NSE for listing our Equity Shares via right issue through the Letter dated April 5, 2024.

### B) INCORPORATION DETAILS

1. Certificate of Incorporation dated 26/03/2008 under the name of “Kshitij Polyline Private Limited” allotting Corporate Identification Number “U25209MH2008PTC180484” was issued by the Registrar of Companies, Mumbai, Maharashtra.
2. Fresh Certificate of Incorporation dated January 19, 2018 under the name of “Kshitij Polyline Limited” allotting Corporate Identification Number “U25209MH2008PLC180484” was issued by the Registrar of Companies, Mumbai, Maharashtra upon name change of the company.
3. The Corporate Identity Number (CIN) of the Company is L25209MH2008PLC180484.

### C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Issuing Authority	Registration/License No.	Nature of Registration/License	Date of Registration	Valid Up to
1.	Registration in Income	AADCK3290N	Allotment of Permanent Account Number (PAN) in the name of “ <b>Kshitij Polyline Limited</b> ”	March 26, 2008	Perpetual
2.	Income Tax Department, Government of India	MUMK17890F	Allotment of Tax Deduction Account Number (TAN)	April 09, 2008	Perpetual
3.	Government of India and Government of Maharashtra	27AADCK3290N1Z4	Certificate of Registration for GST	August 18, 2017	Perpetual
4.	Government of India and Government of India Gujarat	27AADCK3290N1Z6	Certificate of Registration for GST	July 01, 2017	Perpetual

Sr. No.	Issuing Authority	Registration/License No.	Nature of Registration/License	Date of Registration	Valid Up to
5.	Employee Provident Fund Organization	GJAHD27967	Employee Provident Fund code	June 5, 2007	Perpetual
6.	Maharashtra Shops and Establishments Act, 1948	890828539	Registration Certificate of Establishment	February 17, 2024	Perpetual
7.	Ministry of Commerce and Industry*	0308028279	Certificate of Importer-Exporter Code	July 18, 2008	Perpetual
8.	Government of India Udyog Aadhar Memorandum - Ministry of Micro, Small Medium Enterprise	DN01B0000591	Udyog Aadhar Number	January 29, 2022	Perpetual
9.	Ministry of Commerce and Industry, Government of India Merchant -cum - manufacturer Exporter*	CAPEXIL/W/005548	RCMC No.	April 01, 2017	Valid Until deregistered or Cancelled
10.	Ministry of Micro, Small and Medium Enterprises Government of India*	260011201063	Entrepreneur's Memorandum Number	July 30, 2010	Perpetual
11.	Government of India and Government of Gujarat	271552222491P	Professional Tax Number	February 02, 2010	Perpetual
12.	Factories Act, 1948 Dadra & Nagar Havelli, Silvassa	2403	License to work a factory	October 06, 2009	31/12/2025

**D) RENEWALS FOR APPROVALS/ LICENSES APPLIED FOR:**

Sr. No.	Issuing Authority	Nature of Registration/License	Date of Application	Present Status
1.	Pollution Control Committee, Dadra & Nagar Havelli	Consent to manufacture the products under section 25, Water (Prevention & Control of Pollution) Act, 1974	13/02/2024	Under Process at Issuing Department Level
2.	Pollution Control Committee, Dadra & Nagar Havelli	Consent to manufacture the products under section 21, Air (Prevention & Control of Pollution) Act, 1981	13/02/2024	Under Process at Issuing Department Level
3.	Registration Certificate for Importer	Registration of Company as importer, for disposal of MLP & other plastic waste generated due to products of the Company - IM-06-DAD-06-AADCK3290N-23	14/06/2024	Application under process for renewal of Registration

## SECTION – IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THIS ISSUE

This Issue has been authorized by the resolution passed by our Board at its meeting held on January 31, 2024 pursuant to Section 62 (1) (a) of the Companies Act, 2013 and other applicable provisions.

The Board of Directors have approved the Record Date for the Issue at its meeting held on June 11, 2024 and this Letter of Offer at its meeting held on June 18, 2024.

Our Board, in its meeting held on June 13, 2024, has resolved to issue 40521864 Equity Shares to the Eligible Equity Shareholders, at ₹ 6.40 per Equity Share aggregating to ₹ 2,593.40 Lakhs.

Our Company has received in-principle approval from NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to letter dated April 5, 2024.

Our Company will also make application to NSE to obtain its trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars. Our Company has been allotted the ISIN: INE013820019 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see “Terms of the Issue” beginning on page 106 of this Letter of Offer.

### ASSOCIATION OF OUR DIRECTORS WITH SECURITIES MARKET

We confirm that none of our director(s), Promoter(s) or Promoter Group are associated with the securities market in any manner except for trading on day to day basis for the purpose of investment.

### PROHIBITION BY SEBI AND OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Neither our Promoters, nor any of our director(s) or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors or Promoters is associated with the securities market in any manner.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.

### PROHIBITION BY RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful 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.

## ELIGIBILITY FOR THE ISSUE

Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on National Stock Exchange of India Limited (NSE). Our Company undertakes to make an application to National Stock Exchange of India Limited (NSE) for listing of the Rights Equity Shares to be issued pursuant to this Issue.

## 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 undertakes to make an application to the Stock Exchanges to receive its **“In-Principle Approvals”** for listing of the Rights Equity Shares to be issued pursuant to this Issue. National Stock Exchange of India Limited (NSE) is the Designated Stock Exchange for this Issue.

## COMPLIANCE WITH PART B 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 National Stock Exchange of India (NSE); 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.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B 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 ₹ 2,593.40 Lakhs. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in).

## DISCLAIMER FROM OUR COMPANY AND OUR DIRECTORS

Our Company accept no responsibility for statements made otherwise than in the 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 Mumbai, India only.

## **DISCLAIMER CLAUSE OF NSE**

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

“As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/40209 dated April 05, 2024 permission to the Issuer to use the Exchange’s name in this letter of offer as one of the stock exchanges on which this Issuer’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 Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer 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 any other reason whatsoever.”

## **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of the Issue is National Stock Exchange of India Limited (NSE).

## **LISTING**

Our Company will apply to NSE 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 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 this 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, 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 this Letter of Offer has been filed with SEBI and NSE.

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 this 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 Regulations 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 SOLICIATION 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, Advisor, Statutory and Peer Reviewed Auditor, the Registrar to the Issue and Bankers' to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn upto the date of this Letter of Offer.

Our Company has received written consent dated January 31, 2024 from our Statutory Auditor, namely, M/s. VRCA & Associates, Chartered Accountants 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 January 31, 2024 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 January 31, 2024 from our Statutory Auditor, namely, M/s. VRCA & Associates, 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 statement of tax benefits dated January 31, 2024 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 above-mentioned documents, provided by M/s. VRCA & Associates, Chartered Accountants, our Company has not obtained any expert opinions.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY**

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer.

## **PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF LISTED SUBSIDIARIES OR ASSOCIATES**

As of the date of this Draft Letter of Offer, our Company has unlisted wholly owned Subsidiary namely Kshitij E-store Ventures Private Limited. Pursuant to approval of Board vide resolution passed on April 2, 2023 and shareholders vide April 29, 2024, the Company has sold its investment in material subsidiary – Sparion Infrastructure Private Limited by 51 % pursuant to which it ceased to be a wholly owned subsidiary of the Company and has become an associate of the Company. However, as on date, sale of shares is pending and as such, Sparion Infrastructure Private Limited is wholly owned subsidiary of the Company. Since none of the Subsidiaries or Associates of the Company is listed performance vis-à-vis objects – last issue of listed subsidiaries or associates is not applicable

## **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 NSE and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with NSE.

## **STATUS OF OUTSTANDING INVESTOR COMPLAINTS**

As on the date of this Letter of Offer, there were no outstanding Investor complaints. As mentioned, our Company is registered with the SCORES. Consequently, Investor grievances are tracked online by our Company. The average time taken by the Registrar to the Issue for attending to routine grievances will be within 15 (Fifteen) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing 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. 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 106 of this Letter of Offer.

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

### **KFIN TECHNOLOGIES LIMITED**

Selenium Tower-B, Plot No. 31-32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032.

**Tel:** +91-40-6716-2222/+91 1800 309 4001;

**Fax No.:** +91-40-6716-1563

**Email:** kpl.rights@kfintech.com

**Website:** www.kfintech.com

**Investors Grievance E-mail:** einward.ris@kfintech.com

**Contact Person:** M Murali Krishna

**SEBI Registration Number:** INR000000221

**CIN:** L72400TG2017PLC117649

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.

### **Ms. Nikita Mehta**

Company Secretary and Compliance Officer

### **KSHITIJ POLYLINE LIMITED**

**Address:** 417/418, Dimple Arcade, Near Sai Dham temple, Thakur Complex, Kandivali (East), Mumbai - 400101

**Email Id:** compliance@kshitijpolyline.co.in

**Tel:** +91 22 4223 4100

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

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.

## **STATUS OF OUTSTANDING INVESTOR COMPLAINTS**

As on the date of the Letter of offer, there were Nil outstanding investor complaints.

## CHANGES IN AUDITOR DURING THE LAST THREE YEARS

There has been no change in the Auditor of the Company during the last three years.

## SECTION X – ISSUE RELATED INFORMATION

### TERMS OF 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 is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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 this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Right Issue Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.*

*This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in 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 of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications 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 the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.*

### DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, 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, this 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 this 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.kshitijpolyline.co.in](http://www.kshitijpolyline.co.in);
- (ii) The Registrar at <https://rights.kfintech.com>;
- (iii) The Stock Exchanges at [www.nseindia.com](http://www.nseindia.com);

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., Kfin Technologies Limited at <https://rights.kfintech.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.kshitijpolyline.co.in](http://www.kshitijpolyline.co.in)).

**Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this 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 this 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 this Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights

Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this 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 this 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, this 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 this 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 this 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 to any filing or registration requirement (other than in India). If this 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 this 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 to make any filing or registration (other than in India).

#### **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.**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, titled "Procedure for Application through the ASBA Process" in chapter "Terms of Issue" beginning on page 106 of this Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI Circular 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 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.

**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, refer "Grounds for Technical Rejection" on page no. 111 of this Letter of Offer. Our Company, 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, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note 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, refer chapter titled "Application on Plain Paper under ASBA process".

## 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:

- a) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- b) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- c) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- d) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- e) renounce its Rights Entitlements in full.

## Making of an Application through the ASBA process

A 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.

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 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 Exchanges. 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 Kshitij Polyline Limited;
- (b) 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);
- (c) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (d) 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;
- (e) Number of Equity Shares held as on Record Date;
- (f) Allotment option – only dematerialised form;
- (g) Number of Equity Shares entitled to;
- (h) Number of Equity Shares applied for within the Rights Entitlements;
- (i) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (j) Total number of Equity Shares applied for;
- (k) Total amount paid at the rate of ₹ 6.40 per Equity Share;
- (l) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (m) 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;
- (n) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (o) 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
- (p) 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 (“Regulations”), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.*

*I/ We acknowledge that the Company, 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, 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.kfintech.com>.

Our Company, 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 by e mail, 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***

- i) Please read this Letter of offer carefully to understand the Application process and applicable settlement process.
- ii) 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 this 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.
- iii) 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.
- iv) Applications should be (i) 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, (ii) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- v) 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.
- vi) 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.
- vii) 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 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.**
- viii) 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.
- ix) 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.

- x) 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, SCSBs or the Registrar will not be liable for any such rejections.
- xi) 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.
- xii) 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.
- xiii) 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.
- xiv) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- xv) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- xvi) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- xvii) Do not pay the Application Money in cash, by money order, pay order or postal order.
- xviii) Do not submit multiple Applications.
- xix) 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. Our Company will not be responsible for any allotments made by relying on such approvals.
- xx) 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 a 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:*

- i) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- ii) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- iii) Sending an Application to our Company, 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.
- iv) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- v) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- vi) Account holder not signing the Application or declaration mentioned therein.
- vii) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- viii) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- ix) 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).
- x) 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.
- xi) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- xii) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and this Letter of offer.
- xiii) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- xiv) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demands.

- xv) If an 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.
- xvi) 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.
- xvii) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- xviii) 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.***

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) a 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.

#### **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 (iv) 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. 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 certificate 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 Tuesday, July 9, 2024, *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 Exchanges 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 this 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 Exchanges.

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***

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, 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 to the Eligible Equity Shareholders upon submission of the Application.

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.

### **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.kfintech.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.kshitijpolyline.co.in](http://www.kshitijpolyline.co.in)).

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 INE013820019. 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 Exchanges 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.kfintech.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 (namely, “Kshitij Polyline Limited - Suspense Escrow Demat 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 suspended for debit or credit or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing 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.*, by Friday, July 5, 2024 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.

## 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 Exchanges 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 Exchanges (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.

**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.**

### *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 Exchanges 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 Exchanges under ISIN: INE013820019 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges 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 Exchanges 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 Tuesday, June 25, 2024 to Wednesday, July 3, 2024 (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: INE013820019 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 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.

### **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 accounts 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: INE013820019, 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.

### **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 Shareholder's 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 this 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, 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.

## 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

The Rights Equity Shares are being offered on a rights basis to existing Eligible Public Equity Shareholders in the ratio of 4 Rights Equity Shares for every 5 fully paid-up Equity Shares held as on the Record Date. As per ASBA Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 5 Equity Shares or is not in the multiple of 5 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements.

However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

## Ranking

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of 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, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing 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 Exchanges 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 the Stock Exchange. 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 NSE through letter bearing reference number NSE/LIST/40209 dated April 05, 2024. Our Company will apply to the Stock Exchanges 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 NSE (Scrip Code: KSHITIJPOL) under the ISIN: INE013801027. 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 new 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 Exchanges, 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 Exchanges, 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 the Rights Equity Shareholder**

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

### **General Terms of the Issue**

#### **Market Lot**

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights 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 Right Issue 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, this 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 **Marathi language national daily** newspaper with wide circulation being the **regional language of Maharashtra, where our Registered Office is situated.**

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges 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 KFIN Technologies Limited at [ieinward.ris@kfintech.com](mailto:ieinward.ris@kfintech.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 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 this 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, and the Stock Exchanges. Further, Application Forms will be made available at Registered 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.

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. by mail at [ieinward.ris@kfintech.com](mailto:ieinward.ris@kfintech.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**

### Issue Schedule

<b>Last date for credit of Rights entitlements</b>	Thursday, June 20, 2024
<b>Issue opening date</b>	Tuesday, June 25, 2024
<b>Last Date on Market Renunciation of Rights Entitlements#</b>	Wednesday, July 3, 2024
<b>Issue Closing Date*</b>	Tuesday, July 9, 2024
<b>Finalisation of Basis of Allotment (On or About)</b>	Monday, July 15, 2024
<b>Date of Allotment (On or About)</b>	Tuesday, July 16, 2024
<b>Date of Credit (On or About)</b>	Thursday, July 18, 2024
<b>Date of Listing (On or About)</b>	Monday, July 22, 2024

# 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.

\* Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors in their meeting held on January 31, 2024, 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.*, Friday, July 5, 2024 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.*, Monday, July 8, 2024.

## Basis of Allotment

Subject to the provisions contained in this 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) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) 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 on equitable basis giving due regard to the holdings as on the record date and will not be a preferential allotment.
- (d) 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.
- (e) 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:

- i) 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;
- ii) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

## 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/locked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed 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.

## 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 any of the following modes.

#### Unblocking amounts blocked using ASBA facility.

**NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

**National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Shareholders’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Shareholders through this method.

**Direct Credit** – Shareholders having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

**RTGS** – If the refund amount exceeds ₹ 2,00,000, the Shareholders have the option to receive refund through RTGS. Such eligible Shareholders who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Shareholder’s bank receiving the credit would be borne by the Shareholders.

For all other Shareholders, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demands drawn in favour of the sole/first Shareholders and payable at par.

Credit of refunds to Shareholders in any other electronic manner, permissible by SEBI from time to time.

**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.

## 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 with NSDL and 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 EXCHANGES 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:

- i) 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.
- ii) 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.
- iii) The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Shareholder's 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 Shareholder's depository participant.
- (iv) 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.
- (v) 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.
- (vi) 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.
- (vii) Renounees 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.

## **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 ₹ 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 ₹ 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 ₹ 0.5 crore or with both.

## 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.

## UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- i) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
- iii) 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.
- iv) 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.
- v) 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.
- vi) Adequate arrangements shall be made to collect all ASBA Applications.
- vii) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this 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 this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this 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 “[●]” on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

### **KFIN TECHNOLOGIES LIMITED**

Selenium Tower-B, Plot No. 31-32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032.

**Tel:** +91-40-6716-2222/+91 1800 309 4001;

**Fax No.:** +91-40-6716-1563

**Email:** kpl.rights@kfintech.com

**Website:** www.kfintech.com

**Investors Grievance E-mail:** einward.ris@kfintech.com

**Contact Person:** M Murali Krishna

**SEBI Registration Number:** INR000000221

**CIN:** L72400TG2017PLC117649

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

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will be available on the website of the Registrar (i.e, KFIN TECHNOLOGIES LIMITED at <https://rights.kfintech.com>).

4. 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.kfintech.com>).
5. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: <https://rights.kfintech.com>).
6. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://rights.kfintech.com>).
7. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).
8. This Issue will remain open for a minimum 7 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).

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, 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 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, 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 October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 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, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of 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 Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e. any investment which would result in the investor 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 investors 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. Our Company will not be responsible for any allotments made by relying on such approvals.

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 investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is 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 XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered into by our Company.

The contracts together with the documents enlisted below may be inspected online, on website of the company on [www.kshitijpolyline.co.in](http://www.kshitijpolyline.co.in) and physically at the registered office of our Company between 11.00 a.m. to 5.00 p.m. on any working day from the date of the Letter of Offer until the closure of the subscription list.

#### A. MATERIAL CONTRACTS

1. Registrar Agreement dated February 9, 2024 between our Company and Registrar to the Issue.
2. Banker to the Issue Agreement dated May 27, 2024 between our Company, Axis Bank Limited, and Registrar to the Issue.
3. Tripartite agreement dated August 9, 2018 amongst our Company, NSDL and the Registrar to the Issue; and
4. Tripartite agreement dated July 12, 2018 amongst our Company, CDSL and the Registrar to the Issue

#### B. DOCUMENTS FOR INSPECTION

1. Certified True Copy of Memorandum & Articles of Association of our Company.
2. Certificate of incorporation dated March 26, 2008 issued to our Company upon incorporation.
3. Resolution of the Board of Directors under section 62 of Companies Act, 2013 passed in its meeting dated January 31, 2024 authorising the Issue.
4. Consents of the Directors, Company Secretary and Compliance Officer, Statutory and Peer Reviewed Auditors, Advisor to the Issue, and Registrar to the Issue and Bankers' to the issue to include their names in this Letter of Offer to act in their respective capacities.
5. Annual report of our Company for the financial year ended March 31, 2023, 2022 and 2021.
6. Audited Financial Statement (Standalone and Consolidated) for the year ended on March 31, 2024.
7. Fund Deployment Certificate dated June 13, 2024 received from VRCA & Associates, Chartered Accountants, regarding expenditure incurred on the proposed object of the Issue and source of deployed fund.
8. A statement of possible special tax benefits dated January 31, 2024 received from VRCA & Associates, Chartered Accountants, regarding possible special tax benefits available to our Company and shareholders.
9. In-principle listing approval no. NSE/LIST/40209 dated April 5, 2024 from NSE under Regulation 28(1) of the SEBI Listing Regulation.

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 Equity Shareholders, subject to compliance with applicable law.

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## DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Letter of Offer are true and correct.

<b>Name</b>	<b>Signature</b>
<b>Manisha Chordia</b> <b>Non-Executive Director</b> <b>DIN: 06530154</b>	<b>Sd/-</b>
<b>Vineeta Jain</b> <b>Chairman &amp; Executive Director</b> <b>DIN: 10481057</b>	<b>Sd/-</b>
<b>Mahendra Kumar Jain</b> <b>Chairman &amp; Executive Director &amp; CFO</b> <b>DIN: 09765526</b>	<b>Sd/-</b>
<b>Rushiraj Zaverbhai Patel</b> <b>Independent Director</b> <b>DIN: 08017580</b>	<b>Sd/-</b>
<b>Mayur Jitendra Thakar</b> <b>Independent Director</b> <b>DIN: 08156395</b>	<b>Sd/-</b>
<b>Ruhini Kumar Chakraborty</b> <b>Independent Director</b> <b>DIN: 08124270</b>	<b>Sd/-</b>
<b>Ms. Nikita Mehta</b> <b>Company Secretary and Compliance Officer</b> <b>PAN: COUPM7988H</b>	<b>Sd/-</b>

**Place: Mumbai**  
**Date: June 18, 2024**