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**Draft Prospectus**  
December 13, 2022

**Please read Section 26 and 32 of Companies Act, 2013**  
Fixed Price Issue



**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**  
Corporate Identification Number: U25203GJ2012PLC 072513

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	EMAIL
A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej, Bypass Road, Bharuch-392001, Gujarat, India.		N.A.	Arti Totla, Company Secretary & Compliance Officer	info@leadrubber.com
TELEPHONE / MOBILE NO.		WEBSITE		
+91 73590 10333		www.leadreclaim.com		
THE PROMOTERS OF OUR COMPANY ARE BALDEVBHAI PATEL, JAYESHKUMAR PATEL, KALPESH PATEL, REKHABEN PATEL, SADHANA PATEL AND DIKSHA PATEL				
Type	Fresh Issue Size	OFS size (by no. of shares or by amount in Rs)	Total Issue Size	Eligibility
Fresh Issue	Upto 19,50,000 Equity shares aggregating up to ₹ [•] Lakhs	NA	Up to ₹ [•] Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is less than or equal to ₹10.00 Crores.
DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS - NA				
RISK IN RELATION TO THE FIRST ISSUE				
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [•] times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Lead Manager as stated in <b>“Basis for Issue Price”</b> on page 116 of this draft prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.				
GENERAL RISKS				
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India ( <b>“SEBI”</b> ) nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the chapter titled <b>“Risk Factors”</b> beginning on page 32 of this Draft Prospectus.				
COMPANY'S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
LISTING				
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of NSE India ( <b>“NSE EMERGE”</b> ), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In - Principle approval letter dated [•] from NSE Limited.				
LEAD MANAGERS TO THE ISSUE			REGISTRAR TO THE ISSUE	
 <b>FEDDEX SECURITIES PRIVATE LIMITED</b> B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle – [East], Mumbai - 400 057, Maharashtra, India Tel No.: +91 81049 85249 E-mail: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Website: <a href="http://www.fedsec.in">www.fedsec.in</a> Contact Person: Saipan Sanghvi SEBI Registration Number: INM000010163 Investor Grievance E-Mail: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a>			 <b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No. S6 - 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Cave Road, Andheri - [East], Mumbai - 400093, Maharashtra, India. Tel No.: +91 22 6263 8200 Fax No.: +91 22 6263 8299 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> Contact Person: Mr. Aniket Chindarkar SEBI Registration No.: INR000001385	
ISSUE PROGRAMME				
ISSUE OPENS ON: [•]			ISSUE CLOSES ON: [•]	



#### LEAD RECLAIM AND RUBBER PRODUCTS LIMITED



Our Company is in the business of manufacturing of reclaimed rubber, crumb rubber powder and rubber granules. Our Company was incorporated as Lead Amber Microtech Limited on October 31, 2012 under the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli bearing Corporate Identification Number (CIN) U30007GJ2012PLC072513 and commenced business from November 10, 2012. The name of the Company was changed to Lead Reclaim and Rubber Products Limited vide Special Resolution passed in the Extraordinary General Meeting dated December 28, 2013. The fresh certificate of incorporation consequent to name change was issued on December 31, 2013 by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli bearing CIN U25203GJ2012PLC072513.

**Registered Office:** A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej, Bypass Road, Bharuch-392001, Gujarat, India.

**Tel No. / Mob No:** +91 73590 10333; **Email:** info@leadrubber.com; **Website:** www.leadreclaim.com

**Contact Person:** Arti Totla, Company Secretary & Compliance Officer

**OUR PROMOTERS:** BALDEVBHAI PATEL, JAYESHKUMAR PATEL, KALPESH PATEL, REKHABEN PATEL, SADHANA PATEL AND DIKSHA PATEL

THE ISSUE	
<p><b>INITIAL PUBLIC ISSUE* OF UPTO 19,50,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF LEAD RECLAIM AND RUBBER PRODUCTS LIMITED ("THE COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (THE "ISSUE PRICE"), (INCLUDING A PREMIUM OF ₹ [•] PER EQUITY SHARE), AGGREGATING ₹ [•] LAKHS ("THE ISSUE"), OF WHICH [•] EQUITY SHARES OF FACE VALUE OF ₹ 10/- FOR CASH AT A PRICE OF ₹ [•] EACH AGGREGATING ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE, AGGREGATING TO ₹ [•] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO 253 OF THIS DRAFT PROSPECTUS.</b></p> <p><b>SUBJECT TO FINALISATION OF BASIS OF ALLOTMENT</b></p>	
THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [•] TIMES OF THE FACE VALUE	
<p>THIS ISSUE IS BEING MADE THROUGH FIXED PRICE PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED AND RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "<b>ISSUE PROCEDURE</b>" BEGINNING ON PAGE 264 OF THIS DRAFT PROSPECTUS. A COPY OF DRAFT PROSPECTUS WILL BE FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH SECTION 26 OF THE COMPANIES ACT, 2013.</p> <p>All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, please refer to chapter titled "<b>Issue Procedure</b>" on page 264 of this Draft Prospectus.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is ₹ [•] per Equity Share and the Issue Price is [•] times of the face value. The Issue Price as determined by our Company in consultation with the Lead Manager as stated in the chapter titled on "<b>Basis for Issue Price</b>" beginning on page 116 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p>	
GENERAL RISKS	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the chapter titled "<b>Risk Factors</b>" beginning on page 32 of this Draft Prospectus.</p>	
COMPANY'S ABSOLUTE RESPONSIBILITY	
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regards to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
LISTING	
<p>The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of NSE India ("<b>NSE EMERGE</b>"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In- Principle Approval letter dated [•] from NSE EMERGE for using its name in this Offer Document for listing of our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be NSE Limited.</p>	
LEAD MANAGERS TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>FEDEX SECURITIES PRIVATE LIMITED</b> B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle – [East], Mumbai - 400 057, Maharashtra, India <b>Tel No.:</b> +91 81049 85249 <b>E-mail:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> <b>Website:</b> <a href="http://www.fedsec.in">www.fedsec.in</a> <b>Contact Person:</b> Saipan Sanghvi <b>SEBI Registration Number:</b> INM000010163 <b>Investor Grievance E-Mail:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a></p>	 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No. S6 - 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Cave Road, Andheri - [East], Mumbai - 400093, Maharashtra, India. <b>Tel No.:</b> +91 22 6263 8200 <b>Fax No.:</b> +91 22 6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Mr. Aniket Chindarkar <b>SEBI Registration No.:</b> INR000001385</p>
ISSUE PROGRAMME	
<b>ISSUE OPENS ON:</b>	[•]
<b>ISSUE CLOSES ON:</b>	[•]

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## SECTION - I – GENERAL

### DEFINITION AND ABBREVIATIONS

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

The words and expressions used in this Draft Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations 2018, the Companies Act 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled ***“Statement of Tax Benefits”, “Restated Financial Statement”, “Outstanding Litigations and Material Developments”, “Key Industry Regulations and Policies”*** and section titled ***“Main Provision of Articles of Association”*** beginning on pages 120, 190, 238, 151 and 306 respectively of this Draft Prospectus, shall have the meanings ascribed to such terms in the respective sections.

### CONVENTIONAL OR GENERAL TERMS

Term	Description
“Lead Reclaim and Rubber Products Limited”, “LRRPL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies refers to Lead Reclaim and Rubber Products Limited a Public Limited Company incorporated under the provisions of the Companies Act, 1956 with its registered office at A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej By Pass Road, Bharuch – 392001, Gujarat, India.
Promoter(s) / Core Promoter(s)	Baldevbhai Patel, Jayeshkumar Patel, Kalpesh Patel, Rekhaben Patel, Sadhana Patel and Diksha Patel.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of SEBI ICDR Regulations as disclosed in the chapter titled <b><i>“Our Promoter and Promoter Group”</i></b> beginning on page 179 of this Draft Prospectus
“you”, “your” or “yours”	Prospective Investors in this Issue.

### CORPORATE RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	The Articles of Association of Lead Reclaim and Rubber Products Limited, as amended from time to time
Auditors / Statutory Auditors / Peer Review Auditor	The Statutory Auditor of our Company, being M/s DKN & Associates, Chartered Accountants (FRN:120386W)  The Peer Review Auditor of our Company, being M/s S D P M & Co., Chartered Accountants (FRN: 126741W) and Peer Review Number: 012411
Audit Committee	The Audit Committee of our Board, as described in the chapter titled <b><i>“Our Management”</i></b> beginning on page 161 of this Draft

Term	Description
	Prospectus
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted from time to time including any Committees thereof as the context may refer to the chapter titled <b>“Our Management”</b> beginning on page 161 of this Draft Prospectus
Chairman/ Chairperson	The Chairman of our Company being Baldevbhai Patel
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Arti Totla
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Rajeshbhai Sodhaparmar
Corporate Identification Number (CIN)	U25203GJ2012PLC072513
Director(s)	Director(s) on the Board of Lead Reclaim and Rubber Products Limited as appointed from time to time, unless otherwise specified
Equity Shares/Shares	Equity Shares of our Company having face value of Rs. 10.00/- each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
Group Companies	Companies (other than our promoters and subsidiaries) with which there were Related Party Transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and also other companies as considered material by our Company, and as disclosed in the chapter titled <b>“Our Group Companies”</b> beginning on page 188 of this Draft Prospectus
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to the chapter titled <b>“Our Management”</b> beginning on page 161 of this Draft Prospectus
ISIN	International Securities Identification Number is INE0H4B01011
Key Management Personnel /KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to the chapter titled <b>“Our Management”</b> beginning on page 161 of this Draft Prospectus
Managing Director	Managing director of our Company, Jayeshkumar Patel. For details, please refer to the chapter titled <b>“Our Management”</b> beginning on page 161 of this Draft Prospectus

Term	Description
Market maker	The market maker of our Company being [ ● ]
Materiality Policy	The policy adopted by our Board on October 14, 2022 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled <b>“Our Management”</b> beginning on page 161 of this Draft Prospectus
NRIs / Non-Resident Indian	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Registered Office	A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej By Pass Road Bharuch - 392001, Gujarat, India.
Registrar of Companies / ROC / RoC	Registrar of Companies, Ahmedabad ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India
Restated Financial Statements	The Restated Financial Statements of our Company for the stub period ended September 30, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020, which comprises of the restated balance sheet, restated statement of profit and loss and the restated cash flow statement, together with the annexures and notes thereto disclosed in the chapter titled <b>“Restated Financial Statements”</b> beginning on page 190 of this Draft Prospectus
Shareholders/ Members	Holders of equity shares of our Company from time to time
Stakeholders’ Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled <b>“Our Management”</b> beginning on page 161 of this Draft Prospectus.



## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to an applicant as proof of having accepted the Application Form
Allot / Allotment / Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants
Allottee(s)	A successful Applicant to whom the Equity Shares are being allotted
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only.
Application Lot	[ ● ] Equity Shares and in multiples thereof
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by applicants to make an application and authorize an SCSB to block the application Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by applicant for blocking the application Amount mentioned in the ASBA Form
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Prospectus
Bankers to the Company	ICICI Bank Limited
Banker to the Issue / Refund Banker / Public Issue Bank	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be. In this case, being, [ ● ].
Bankers to the Issue Agreement	Banker to the Issue Agreement entered on [ ● ] amongst our Company, Lead Manager, the Registrar to the Issue and Banker to the Issue / Sponsor Bank for collection of the Application Amount

Term	Description
	on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in the chapter titled <b><i>“Issue Procedure”</i></b> beginning on page 264 of this Draft Prospectus.
Business Day	Any day on which commercial banks are open for the business
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number of the Beneficiary Account
Collection Centers	Broker Centers notified by NSE India where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the Emerge platform of NSE India.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and NSE India and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Covid-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation.
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act.
Designated CDP Locations	Such centre of the CDPs where applicant can submit the ASBA For The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the website of NSE India



Term	Description
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the NSE India
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on <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>
Designated Stock Exchange	EMERGE platform of NSE India (NSE EMERGE)
Draft Prospectus	This Draft Prospectus issued in accordance with the SEBI ICDR Regulations.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the ASBA Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations.
EMERGE Platform of NSE / SME Exchange	The EMERGE Platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of

Term	Description
/ Stock Exchange / NSE SME	the SEBI (ICDR) Regulations.
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount.
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being [ ● ].
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.
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled <b><i>“Issue Procedure”</i></b> beginning on page 264 of this Draft Prospectus
Issue / Issue Size / Public Issue / IPO	Initial Public Issue of Upto 19,50,000 Equity Shares of face value of Rs. 10.00 each of our Company for cash at a price of Rs. [ ● ] per Equity Share (including a share premium of Rs. [ ● ] per Equity Share) aggregating to Rs. [ ● ] Lakhs.
Issue Agreement	The agreement dated October 20, 2022 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	The date on which the Issue closes for subscription.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working

Term	Description
	Days for all categories of bidders. Our Company, in consultation with the Lead Manager, may decide to close applications by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published.
Issue Price	Rs. [ ● ] per Equity Share (Including Premium of Rs. [ ● ] per share)
Issue Proceeds	The proceeds from the Issue based on the total number of equity shares allotted under the issue.
Lead Manager/ LM	The Lead Manager to the Issue namely, Fedex Securities Private Limited
Listing Agreement	The Listing Agreement to be signed between our Company and EMERGE Platform of NSE India (NSE Emerge).
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Making Agreement	The Market Making Agreement dated [ ● ] between our Company, the Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of [ ● ] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at a price of Rs. [ ● ] /- per Equity Share aggregating to Rs. [ ● ] Lakhs for the Market Maker in this Issue
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
National Stock Exchange of India Limited	NSE India
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [ ● ] Equity Shares of face value Rs.10.00/- each fully paid-up of our Company for cash at a price of Rs. [ ● ] /- per Equity Share aggregating up to Rs. [ ● ] Lakhs
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 105 of this Draft Prospectus.
Non-Institutional Bidders /Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than Rs. 2,00,000.

Term	Description
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
Overseas Corporate Body/ OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context may require.
Public Issue Account	The account to be opened with the Banker to the Issue under section 40 of Companies Act, 2013 to received monies from the ASBA Accounts.
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI ICDR Regulations.
Refund Account	Account to which Application monies are to be refunded to the Bidders
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of [●] having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
Registrar Agreement	The agreement dated October 20, 2022 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI

Term	Description
Registrar to the Issue/Registrar	Registrar to the Issue being Bigshare Services Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
SME	Small and medium sized enterprises
Self-Certified Syndicate Bank(s) / SCSBs	A bank registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA a list of which is available on website of SEBI <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Sponsor Bank	Sponsor Bank being [ ● ] being a Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.
Stock Exchanges	EMERGE platform of NSE India (NSE EMERGE).
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
Underwriter	[ ● ]
Underwriting Agreement	The Agreement dated [ ● ] entered between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism,

Term	Description
	developed by NPCI
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI
UPI PIN	Password to authenticate UPI transaction
UPI Mandate Request	<p>A request (intimating the RIIs by way of a notification on the UPI application and by way of a SMS directing the RIIs to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as updated from time to time</p>
UPI Mechanism	The bidding mechanism that may be used by RIIs in accordance with the UPI Circulars to make an ASBA Bid in the Issue
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter or a fraudulent borrower	An entity or a person categorized as a Wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Days	“Working Day” shall mean all days, excluding all Saturdays,



Term	Description
	Sundays and public holidays, on which commercial banks in city as mentioned in this Draft Prospectus are open for business and in case of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### **TECHNICAL /GENERAL AND INDUSTRY RELATED TERMS OR ABBREVIATIONS**

Term	Description
BIS	Bureau of Indian Standards
CAGR	Compound Annual Growth Rate
CNG	Compressed Natural Gas
CPI	Consumer Price Index
DIPP	Department of Industrial Policy and Promotion
ESCOMs	Energy and Electric Supply Companies
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEE	Foreign Exchange Earnings
GDP	Gross Domestic Product
GST	Goods and Services Tax
HSN	Harmonized System of Nomenclature
IBC	Insolvency and Bankruptcy Code
IIP	Index of Industrial Production
IMF	International Monetary Fund
KG	Kilogram
LPG	Liquefied Petroleum Gas
NBFC	Non-Banking Financial Company
NIFTY	National Stock Exchange Sensitive Index
OEM	Original Equipment Manufacturers
PC Personal Computer	PC Personal Computer

PCR	Passenger Car Radial
PE Private Equity	PE Private Equity
QCO	Quality Control Order
RBI	Reserve Bank of India
SENSEX	Bombay Stock Exchange Sensitive Index
SEZs	Special Economic Zones
TBR	Truck & Bus Radial
WEO	World Economic Outlook
WPI	Wholesale Price Index
WTO	World Trade Organisation
WTR	Whole Tyre Reclaim

#### CONVENTIONAL TERMS & ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Bn	Billion
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number

Term	Description
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from October 15, 2020 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPFO	Employees' Provident Fund Organization
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share

Term	Description
ESI Act	The Employees' State Insurance Act, 1948
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA Act/ FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	Unless stated otherwise, the period of twelve (12) months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board
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
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
IBEF	India Brand Equity Foundation

Term	Description
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IEC	Import Export Code
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
Rs. / Rupees / INR / Rs.	Indian Rupees
IGST	Integrated GST
IT Act	Income-tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
LMs	Lead Managers
IT Act	Income-tax Act, 1961
IT Rules	Income Tax Rules, 1962
Kms	Kilometres
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of funds-based lending rate
Mn	Million
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under SEBI (Mutual Funds) Regulations, 1996
MoU	Memorandum of Understanding
N.A. / NA	Not Applicable

Term	Description
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE EMERGE	EMERGE Platform of National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	Reserve Bank of India
RONW	Return on Net Worth
RoCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEZ	Special Economic Zones
SEBI	The Securities and Exchange Board of India constituted under SEBI Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012



Term	Description
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SEBI Takeover Regulations/ SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sq. metres	Square Metres
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TPA	Tonnes Per Annum
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations or SEBI AIF Regulations, as the case may be
WCTL	Working Capital Term Loan
WEO	World Economic Outlook
WHO	World Health Organization
YoY	Year on Year

## FORWARD-LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

All statements contained in this Draft Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India, regulations, taxes, changes in competition in our industry and incidents of any natural calamities and/or acts of violence.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our business largely depends upon our top ten customers, and the loss of such customers or a significant reduction in purchases by such customers will have a material adverse impact on our business
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our business and financial performance is particularly based on market demand and supply of our products;
- Failure to successfully upgrade our product portfolio, from time to time;
- Our failure to keep pace with rapid changes in technology;
- Competition from existing and new companies may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;

- Market fluctuations and industry dynamics beyond our control;
- 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;
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.
- An adverse change in the regulations governing our products and the products of our customers;

For further discussion of factors that could cause the actual results to differ from the expectations, see the section titled ***“Risk Factors”*** and chapters titled ***“Business Overview”*** and ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** beginning on pages 32, 138 and 226 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimating 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.

There can be no assurance to Applicants that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Applicants are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance.

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.

These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the Lead Manager, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **CERTAIN CONVENTIONS**

All references in this Draft Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh.

In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our Restated Financial Statements of our Company for the stub period ended September 30, 2022 and for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP and Guidance Note on "Reports in Company Prospectus", as amended issued by ICAI, as stated in the report of our Statutory and Peer Reviewed Auditor, as set out in the chapter titled ***"Restated Financial Statements"*** beginning on page 190 of this Draft Prospectus.

Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year.

In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Prospectus have been derived from our Restated Financial Statements.

There are significant differences between Indian GAAP, IFRS Ind AS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the Restated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the sections / chapters titled ***"Risk Factors"***, ***"Business Overview"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** beginning on pages 322, 138 and 226, respectively, of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP as stated in the

report of our Peer Review Auditor, set out in chapter titled ***“Restated Financial Statements”*** beginning on page 190 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the Chapter titled ***“Definitions and Abbreviations”*** beginning on page 2 of this Draft Prospectus. In the section titled ***“Main Provisions of the Articles of Association”***, beginning on page 301 of this Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, industry data used throughout this Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified by the Lead Manager or any of their affiliates or advisors. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in ***“Risk Factors”*** beginning on pages 322. Accordingly, investment decisions should not be based solely on such information.

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

## **CURRENCY AND UNITS OF PRESENTATION**

In this Draft Prospectus, unless the context otherwise requires, all references to;

‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ or “Rs.” are to Indian rupees, the official currency of the Republic of India.

‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency,

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lacs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

## SUMMARY OF OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections/chapter titled **“Risk Factors”**, **“The Issue”**, **“Capital Structure”**, **“Industry Overview”**, **“Business Overview”**, and **“Outstanding Litigation and Other Material Developments”** beginning on pages 3232, 55, 73, 125, 138 and 238 respectively of this Draft Prospectus.

### SUMMARY OF BUSINESS

Our Company is in the business of manufacturing of reclaimed rubber, crumb rubber powder and rubber granules. We believe that we are one of the few companies in our reclaimed rubber industry that can process radial rubber, scrap tyre and tube rubber. Our manufacturing facility employs an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers.

### SUMMARY OF INDUSTRY

The Indian Rubber Industry is broadly divided into Tyre and Non-Tyre Sectors. India is the 5th largest producer of natural rubber, 2nd largest consumer of natural rubber, 5th largest consumer of natural rubber and synthetic rubber together in the world. India is also the world’s largest manufacturer of reclaimed rubber. The turnover of Rubber Industry is estimated to be approx Rs. 85000 crs which comprise of Rs. 55000 crores from Tyre Industry and 30,000 crores (Non-Tyre including latex industry) during 2021-22.

### PROMOTERS

As on date of this Draft Prospectus, Baldevbhai Patel, Jayeshkumar Patel, Kalpesh Patel, Rekhaben Patel, Sadhana Patel and Diksha Patel are the Promoters of our Company. For further details, please refer to the chapter titled **“Our Promoters and Promoter Group”** beginning on page 179 of this Draft Prospectus.

### ISSUE SIZE

The Issue size comprises of issuance of up to 19,50,000 Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●] per Equity Share (including premium of Rs. [●] per Equity Share) aggregating to Rs. [●] Lakhs. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on October 14, 2022 and approved by the shareholders of our Company vide a Special Resolution at the Extraordinary General Meeting held on October 18, 2022 pursuant to section 62(1)(c) of the Companies Act, 2013.

### OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects (**“Objects of the Issue”**):

(Rs. in Lakhs)

Particulars	Amount
Funding our working capital requirements	[●]
Purchase of plant and machinery for augmenting our Manufacturing Facility	216.42
General corporate purposes*	[●]
<b>Total</b>	[●]



*\*The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue*

#### PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Particulars	Pre-Issue	
	Number of Shares	Percentage (%) holding
<b>Promoters (A)</b>		
Jayeshkumar Patel	15,17,993	28.15
Baldevbhai Patel	14,24,255	26.42
Sadhana Patel	8,00,575	14.85
Kalpesh Patel	5,82,994	10.81
Rekhaben Patel	77,345	1.43
Diksha Patel	23,250	0.43
<b>Total (A)</b>	<b>44,26,412</b>	<b>82.10</b>
<b>Promoter Group (B)</b>		
Ankita Patel	1,73,600	3.22
Piyushbhai Patel	31,000	0.57
Kanubhai Patel	15,500	0.29
Ravindra M Patel	6,665	0.12
Shardaben Patel	6,200	0.11
Vishnubhai H Patel	3,100	0.06
<b>Total (B)</b>	<b>2,36,065</b>	<b>4.37</b>
<b>Total (A+B)</b>	<b>46,62,477</b>	<b>86.48</b>

#### SUMMARY OF FINANCIAL INFORMATION

*(Rs. in Lakhs)*

Particulars	For the Six months period ended September 30, 2022	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
Share Capital	313.85	221.65	20.15	20.15
Networth	555.63	289.57	40.20	17.47
Revenue	492.39	1,030.09	703.50	477.31
Profit after Tax	35.55	47.87	22.74	36.36

Particulars	For the Six months period ended September 30, 2022	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
Earnings per share (Basic & diluted) (Rs.)	0.88	3.00	7.28	11.64
Net Asset Value per Equity Share (Basic & diluted) (Rs.)	17.70	13.06	19.95	8.67
Total borrowing	271.38	269.30	394.67	377.25

## QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Nature of Cases	Number of Cases	Total Amount Involved
<b>Proceedings against our Company</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Company</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings against our Promoter</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Promoter</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil

<b>Proceedings against our Group Companies</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Group Companies</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings against our Directors</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Directors</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil

For further details, please refer chapter titled “*Outstanding Litigations & Material Developments*” beginning on page 238 of this Draft Prospectus.

## **RISK FACTORS**

For details relating to risk factors, please refer chapter titled “*Risk Factors*” beginning on page 32 of this Draft Prospectus.

## **SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY**

For details of our contingent liabilities, please refer section titled “*Restated Financial Statement–Annexure 31*” beginning on page 190 of this Draft Prospectus.

## **SUMMARY OF RELATED PARTY TRANSACTIONS**

*(Rs. in Lakhs)*

Name of Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on September 30, 2022	Amount Outstanding as on March 31, 2022	Amount Outstanding as on March 31, 2021	Amount Outstanding as on March 31, 2020
Jayeshkumar Patel	Director	Director's Remuneration	4.40	6.60	3.60	0.00

Name of Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on September 30, 2022	Amount Outstanding as on March 31, 2022	Amount Outstanding as on March 31, 2021	Amount Outstanding as on March 31, 2020
		Loan Received	14.38	41.51	21.62	42.09
		Loan Paid	17.22	38.74	44.12	37.15
Baldevbhai Patel	Director	Director's Remuneration	0.00	0.00	0.00	0.00
		Loan Received	5.27	57.01	31.15	16.76
		Loan Paid	5.92	141.68	18.39	6.17
Kalpesh Patel	Director	Loan Received	0.00	6.50	0.00	3.97
		Loan Paid	0.00	49.45	0.00	1.67
		Director's Remuneration	2.40	4.80	0.00	0.00
Dakshaben Chauhan	Director	Loan Received	0.00	0.50	1.80	0.96
		Loan Paid	0.00	1.37	8.19	0.97
		Director's Remuneration	0.00	0.00	1.80	0.00
Sadhana Patel	Director	Director's Remuneration	1.00	0.00	0.00	0.00
		Salary Expenses	0.50	3.00	0.00	0.00
Ankita P Patel	Relative of Direcor	Loan Received	0.00	0.00	0.00	5.00
		Loan Paid	0.00	5.00	0.00	0.00
Pareshkumar G Patel	Relative of Direcor	Loan Received	0.00	2.86	0.00	5.00
		Loan Paid	0.00	7.86	0.00	0.00
Dinesh R Chauhan	Relative of Direcor	Loan Received	0.00	0.00	0.00	0.00
		Loan Paid	0.00	0.00	0.00	0.62
Patel RoadWays	Same Management	Loan Received	0.00	0.00	0.00	0.00
		Loan Paid	0.00	0.14	0.00	0.20

#### FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Prospectus.

#### **WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS**

The weighted average price at which the equity shares were acquired by our Promoters in the one year preceding the date of this Draft Prospectus.

Name	Number of Shares	Weighted Average Cost of Acquisition per Equity Share (in Rs.)
Jayeshkumar Patel	15,17,993	9.45
Baldevbhai Patel	14,24,255	9.60
Sadhana Patel	8,00,575	10.39
Kalpesh Patel	5,82,994	7.97
Rekhaben Patel	77,345	5.63
Diksha Patel	23,250	Nil

*\*As certified by M/s S D P M & Co., Chartered Accountants, pursuant to their certificate dated December 13, 2022, 2022 bearing UDIN: 22046482BFIUEF1506.*

#### **AVERAGE COST OF ACQUISITION**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Prospectus is:

Name	Average Cost of Acquisition per Equity Share (in Rs.)
Baldevbhai Patel	10.26
Jayeshkumar Patel	9.96
Kalpesh Patel	9.78
Rekhaben Patel	16.34
Sadhana Patel	11.77
Diksha Patel	43.01

*\*As certified by M/s S D P M & Co., Chartered Accountants, pursuant to their certificate dated December 13, 2022, 2022 bearing UDIN: 22046482BFIUEE7849.*

#### **DETAILS OF PRE-ISSUE PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.

## ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

Date of Issue/ Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Name of Allottees	Benefits Accrued
October 18, 2022	19,13,175	10	Nil	Bonus Issue	<i>Refer to Note 1</i>	Capitalization on of Reserves & Surplus.

*Note 1: Allotment of 1,375 equity shares to Alpeshbhai D Patel, 137 equity shares to Amrutlal S Patel, 61,600 equity shares to Ankita P. Patel, 5,500 equity shares to Ankurkumar Dalsania, 27,500 equity shares to Anju Singh, 137 equity shares to Arpit V Panddy, 27,500 equity shares to Archis S Patankar, 137 equity shares to Lakhaman Mohanbhai Tukadiya, 275 equity shares to Arvindbhai T Patel, 5,05,380 equity shares to Baldevbhai Patel, 550 equity shares to Bharatbhai K Patel, 137 equity shares to Bharatkumar P Vora, 137 equity shares to Bunty Nizama\*, 137 equity shares to Chintan H Jani, 2,035 equity shares to Chirag V Intwala, 137 equity shares to Dhashrathbhai N Patel\*, 9,350 equity shares to Daxaben D Chauhan, 275 equity shares to Dhirubhai G Ganvit, 8,250 equity shares to Dikshaben Patel, 137 equity shares to Gauravbhai\*, 275 equity shares to Harshad Baldha, 138 equity shares to Indrajit R Padhiyar, 550 equity shares to Jashwantbhai K Patel, 138 equity shares to Jay Jain, 5,38,643 equity shares to Jayeshkumar Patel, 138 equity shares to Jyotindra V Patel, 2,06,869 equity shares to Kalpeshbhai Patel, 138 equity shares to Kamlesh M Patel, 138 equity shares to Kaniyalal B Patel, 5,500 equity shares to Kanubhai Patel, 2,750 equity shares to Kiransinh J. Rathod, 275 equity shares to Krunalkumar Bramhbhatt\*, 138 equity shares to Kiran Padhiyar, 550 equity shares to Liladhar Parmar, 138 equity shares to Mafatlal V Patel, 550 equity shares to Mahesh Bhai Thakkar, 275 equity shares to Mangro Ramji Hirji\*, 4,125 equity shares to Manubhai Patel, 138 equity shares to Mayank C Dalsania, 138 equity shares to Milan N Viramgama\*, 11,000 equity shares to Naileshkumar Patel, 27,500 equity shares to Namrata Kaushik Vyas, 550 equity shares to Nayanaben M Thakar, 138 equity shares to Pankaj Shikala\*, 11,000 equity shares to Piyushbhai B Patel, 138 equity shares to Prakashbhai Patel, 44,000 equity shares to Premal Shukla, 5,500 equity shares to Priyankaben Patel, 550 equity shares to Rahul Kumar M Patel, 275 equity shares to Rajendrakumar N Patel, 11,000 equity shares to Rakesh Patel, 137 equity shares to Ramanbhai Patel, 2,200 equity shares to Ravi R Patel, 2,365 equity shares to Ravindra M Patel, 27,445 equity shares to Rekhaben Baldevbhai Patel, 2,84,075 equity shares to Sadhana J Patel, 275 equity shares to Samir Patel, 11,000 equity shares to Sanjay Dave, 1,100 equity shares to Sanjay Bhai, 2,200 equity shares to Sardaben B Patel\*, 6,600 equity shares to Smit Prajapati, 550 equity shares to Suhel Patel, 22,000 equity shares to Sureshkumar Dave, 27,500 equity shares to Urmila Jain, 550 equity shares to Vijaykumar P Patel, 1,100 equity shares to Vishnubhai H Patel, 137 equity shares to Yogeshbhai S Valand in lieu of Bonus issue of equity shares.*

\*The Equity shares allotted was inadvertently and erroneously mentioned the name as Pankaj Shikala, Milam N Viramgama, Dhashrathbhai N Patel, Gaurav Bhai, Sanjay Bhai, Bunty Nizama, Mangro Ramji Hirji, Krunalkumar Bramhbhatt and Sardaben Patel in the Form 2 filed with RoC, instead of Pankaj Shukala, Milankumar N Viramgama, Dashrathbhai N Patel, Gauravbhai Kiritbhai Dholakhiya, Sanjay Ramanbhai Patel, Buntibhai Naginbhai Nizama, Ramji Hirji Mungra, Kunalkumar A Brahmabhatt and Shardaben Patel. For further details, please refer to the chapter titled **“Risk Factor”** beginning on page no. 32 of this Draft Prospectus.

For details, please refer to chapter titled **“Capital Structure”** beginning on page 73 of this Draft Prospectus.

## SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

**EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS GRANTED BY SEBI**

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

## SECTION - II - RISK FACTORS

An investment in our Equity Shares involves a certain degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares or the industry in which we operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks or other risks that are not currently known or are currently deemed immaterial actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. Prospective investors should read this section in conjunction with “*Our Business*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 138, 125 and 226, respectively of, as well as the financial and other information contained in, this Draft Prospectus.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. For further details, please see the chapter titled “*Forward-Looking Statements*” beginning on page 20 of this Draft Prospectus.

Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Financial Information for period ended on September 30, 2022 and for financial year ended FY 2022, FY 2021 & FY 2020 included in this Draft Prospectus.

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. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

### Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

### INTERNAL RISK FACTORS

1. *We are involved in certain legal proceedings and may face certain liabilities as a result of the same.*

Our Company is involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. For details kindly refer the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page no. 238 of this Draft Prospectus. A brief detail of such outstanding litigations as on the date of this Draft Prospectus are as follows:

Nature of Cases	Number of Cases	Total Amount Involved
<b>Proceedings against our Company</b>		
<b>Civil</b>	Nil	Nil



<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Company</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings against our Promoter</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Promoter</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings against our Group Companies</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Group Companies</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings against our Directors</b>		
<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil
<b>Proceedings by our Directors</b>		

<b>Civil</b>	Nil	Nil
<b>Criminal</b>	Nil	Nil
<b>Tax</b>	Nil	Nil

We cannot provide any assurance that these matters will be decided in favour of the above-mentioned entities or persons. Further, there is no assurance that legal proceedings will not be initiated against our company, its directors, promoters or group companies in future.

For details kindly refer the chapter titled ***“Outstanding Litigation and Material Developments”*** beginning on page no. 238 of this Draft Prospectus

2. ***In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We believe that we have obtained all the requisite permits and licenses which are adequate to run our business. However, there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

For further details, please refer to Chapter titled ***“Government and Other Approvals”*** beginning on page 242 of this Draft Prospectus.

3. ***Our main operations may be adversely affected in case of industrial accidents at our manufacturing unit and also rubber is a combustible commodity which may lead to any fire mishaps or accidents that could lead to property damages, property loss and accident claim.***

Rubber being a combustible commodity, every stage from procurement, processing, storage and transportation to final dispatch is fraught with an imminent danger of an instant fire. The risk of fire hazard is increased due to increased automation and use of large volume of air for material handling. Any spark generated can not only generate fire but also the same could propagate to other machines through spread of fire by rubber 's flammability. Though we have taken insurance policy to cover damage caused by fire however, the cover may not be adequate to the loss suffered.

4. ***Our Registered Office is not owned by us. In the event we lose such rights, our business, financial condition and results of operations and cash flows could be adversely affected.***

Our registered office situated at A/8, Sunvilla Complex, Near Chines Hut Hotel Dahej by pass Road Bharuch - 392001, Gujarat, India, are not owned by us and is owned by our Promoter, Jayeshkumar Patel for which NOC has been provided to our Company. Our Company has not entered into any agreement with the Promoter to use the premises as our registered office. Our Promoter Jayeshkumar Patel has given premise on rent free basis. In the event our promoter revokes the NOC, we may be required to vacate our office and identify alternative premises.

Further, we cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangement for new offices and other

infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

5. ***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.***

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. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

6. ***We have made an application with the Registrar of Trade Marks for registration of the logo and same has been under the status of send to Vienna Codification. Any delay in receiving the approval and/or granting registration or in obtaining registration could result in loss of logo & brand equity and the Company's right to use the said logo.***



We have applied for the registration of the logo on October 04, 2022 under Class 17 with the Registrar of Trade Mark and the same has been under the status of send to Vienna Codification.

Our Company logo is not a registered trademark and accordingly, we may not be able to safeguard it from infringement or passing off. In relation to our pending application, third-parties may seek to oppose or otherwise challenge these registrations. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted.

We cannot assure you that the trademark will finally get registered in the name of the Company. Any delay in receiving the registration or rejection in processing the application form for registering the logo or in case of any opposition filed against the trademark application, our Company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo which may have an adverse effect on our business.

Further, failure or delay in obtaining the registration of the trademark may make the Company liable to infringement claims of third parties who own and/or use the same or similar trade names/ logo.

For further details, please refer to Chapter titled “***Government and Other Approvals***” beginning on page 242 of this Draft Prospectus.

7. ***Our Company has negative cash flows from its investing activities as well as financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

Our Company had negative cash flows from our investing activities as well as financing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(Rs. In Lakhs)

Particulars	For the period ended September 30, 2022	As on March 31,		
		2022	2021	2020
Net Cash Flow from / (used in) Operating Activities	(150.54)	(41.31)	52.77	70.35
Net Cash Flow from / (used in) Investing Activities.	(70.56)	(33.78)	(7.72)	0.49
Net Cash Flow from / (used in) Financing Activities	222.35	54.74	(14.35)	(80.24)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet 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 flows in future, it may adversely affect our business and financial operations.

**8. *Our Restated Financial Statements are prepared and signed by the Peer Review Auditor who is not Statutory Auditors of our Company as required under the provisions of ICDR.***

The Restated Financial Statements of our Company for the period ended on September 30, 2022 and for the financial year ended March 31 2022, 2021 and 2020 respectively are prepared and signed by M/s S D P M & Co., Chartered Accountants, the Peer Review Auditor of our Company who is not statutory auditor of our Company.

Our Statutory Auditor M/S DKN & Associates, Chartered Accountants holds Peer Reviewed Certificate number-008080 which was expired on June 01, 2019. However, they have applied for renewal of peer review certificate with the peer review board of ICAI and the renewal peer review certification is awaited.

**9. *Reliance has been placed on declarations furnished by Baldevbhai Patel and Rekhaben Patel, our Promoter, for details of his profile included in this Draft Prospectus.***

Our Promoter, Baldevbhai Patel and Rekhaben Patel they have been unable to trace copies of certain documents pertaining to his educational qualifications. Accordingly, our Company and the LM have placed reliance on the declarations furnished by them to disclose such details in this Draft Prospectus and neither we, nor the LM have been able to independently verify these details in the absence of primary documentary evidence. Further, there can be no assurances that he will be able to trace the relevant documents pertaining to his educational qualifications in the future, or at all. Therefore, we cannot assure you that all or any of the information relating to the educational qualifications of Baldevbhai Patel and Rekhaben Patel included in “***Our Management***” on page 161 of this Draft Prospectus is accurate.

**10. *Certain of our corporate records have typographical errors. We cannot assure you that any regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.***

Certain of our Company corporate records have certain discrepancies, including typographical errors. In the Form 2 and Form PAS-3 filed with the Registrar of Companies in relation to the further issue undertaken by our Company, in list of allottees names of certain allottees were inadvertently and erroneously mentioned. For further details, see “***Capital Structure – History of Issued and Paid-Up Share Capital of our Company***” beginning on page 73 of this Draft Prospectus. While we have included these details in the Draft Prospectus by way of other corporate records, such as the relevant board resolutions and the register of members of

our Company. While there has been no impact on our financial information, we cannot assure you that the relevant corporate records will become available in the future or that regulatory proceedings or actions will not be initiated against us in the future, and that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

**11. *Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive. A significant portion of our working capital is utilized towards inventories and trade receivables.

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly trade receivables and inventories. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 105 of this Draft Prospectus.

**12. *We propose to utilize a portion of the Net Proceeds for purchase a plant of machinery of a and for funding working capital requirements of our Company***

Our Company intends to utilise a portion of the Net Proceeds for purchase of machinery and for funding the working capital requirements of our Company. The details of the purchase plant and machinery using the Net Proceeds and the incremental working capital requirements of our Company have been disclosed in the chapter titled “*Objects of the Issue*” on page 105 of this Draft Prospectus. While we believe that purchase of plant and machinery will able to manufacture reclaimed rubber from radial and tubeless tyre. We believe that with the installation of these machines we would be able to increase our profitability on account of better yield and the working capital will be primarily used for expanding our current business operations. The funding of the working capital requirements of our Company is expected to lead to a consequent increase in our profitability.

**13. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior shareholders’ approval.***

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our

business and results of operations. For further details of the proposed objects of the Offer, refer chapter titled “**Objects of the Issue**’ beginning on page 105 of this Draft Prospectus.

- 14. *We face intense competition since our Company operates in a competitive industry and competition may have a negative impact on our business prospects, future performance and financial condition.***

The market for our products is competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes such as technical competence, quality of products, distribution network, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

- 15. *Our Company has incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.***

As on September 30, 2022, we had total long-term borrowings of Rs.16.38 Lakhs and total short-term borrowings of Rs.255.00 Lakhs. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions. In the event that we breach a restrictive covenant, our lenders could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew maturing borrowings as needed to conduct our operations and pursue our growth initiatives. Although we have received consents from our lenders for the Fresh Issue, these restrictive covenants may affect some of the rights of our Shareholders.

For, further details on our outstanding debt please refer to the chapter titled “**Financial Indebtedness**” beginning on page 236 of this Draft Prospectus.

- 16. *The price, at which we are able to obtain the raw material for manufacture of our finished products depend largely on prevailing market prices. Increase in costs of our raw materials could have a material adverse effect on our Company’s sales, profitability and results of operations.***

Our Company is dependent on third party suppliers for procuring raw materials. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long-term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.

- 17. *Our top ten customers contribute 94.20% of our revenues for the year ended March 31, 2022. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top ten customers contribute 94.20% to a substantial portion of our revenues for the year ended March 31, 2022. However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Our reliance on a limited number of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, a failure to negotiate favourable terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them.

We believe we have maintained good and long-term relationships with our customers. However, there can be no assurance that we will continue to have such long-term relationship with them also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Further, the sales volume may vary due to our customers' attempts to manage their inventory, market demand, product and supply pricing trends, change in customer preferences etc., which may result in decrease in demand or lack of commercial success of our products, which could reduce our sales and adversely affect our business, cash flows, results of operations and financial condition.

**18. *If the price of energy sources increases, our operating expenses could increase significantly and our results of operations and cash flows could be materially and adversely affected.***

Our manufacturing facilities rely principally on coal and electrical power. High demand and limited availability of coal and electrical power can result in significant increases in energy costs, which could materially increase our operating expenses at our manufacturing facilities. Increased oil costs would also increase our costs to transport our products from our manufacturing facilities to our distribution network. There is no assurance that we will be able to secure stable supplies of energy at favourable terms, or at all, to maintain our manufacturing operations or sustain our future expansion. Moreover, increases in energy costs could impact consumer and industrial behavior. General increases in energy costs could also cause businesses to decrease investment and slow down overall economic activity. The occurrence of any of the foregoing could negatively impact demand for our rubber products.

**19. *There have been some instances of non-filing/ delays /incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

In the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the ROC, which have subsequently been filed along with the payment of additional fees, as specified by ROC. Except as mentioned in this Draft Prospectus, till date, there has been no penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

Further, we are yet to file modification of charge for overdraft Facility taken from ICICI Bank Limited, sanctioned of Rs. 280.00 Lakhs in Financial Year 2021-22.

We also cannot assure you that we will, going forward, be able to make the requisite regulatory filings within the required time period or at all. Delayed or non-submission of such regulatory filings may subject us to penalties and late fees, which could adversely affect our business and results of operations

20. ***We have not identified any alternate source of raising the funds mentioned as our ‘Objects of the Issue’. any shortfall or delay in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has 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 can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds for working capital cycle or may result in us borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company.

21. ***Our Company is yet to place orders for the machinery for the expansion of the Manufacturing Facility. Any delay in placing orders or procurement of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.***

Our Company has received third party quotations for the machinery proposed to be installed at Manufacturing Facility. Although, we have identified the type of machinery proposed to be purchased from the Net Proceeds, we are yet to place orders for the proposed machinery amounting to Rs. 216.42 lakhs. The cost of the proposed purchase of machinery is based on the quotations received from third party vendors and contractors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, please refer to the chapter titled "***Objects of the Issue***" beginning on page 105 of this Draft Prospectus.

We cannot assure that we will be able to procure the machinery in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the Manufacturing Facility. Further, if we are unable to procure machinery from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machinery which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

22. ***Our lenders have charge over our immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our immovable properties in respect of loans / facilities availed by us from banks and financial institutions. 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. For further details in this regard, please refer chapter titled "***Financial Indebtedness***" beginning on page 236 of this Draft Prospectus.

23. ***Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology upgradation are essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions. In case of a new-found technology in the manufacturing facilities, we may be required to implement new technology or upgrade the



machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

**24. *Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

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.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

**25. *Our Company is dependent on third party transportation providers for the delivery of our products 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.***

We depend on third-party transportation to receive input materials required for our products and to deliver our finished products to our customers. We use third-party logistics providers for all of our product distribution and input materials procurement. This makes us dependent on such third-party transportation providers. Weather-related problems, strikes, or other events which affects third-party transportation could impair our ability to receive the raw materials and/or deliver the requisite quantities of products in time to our customers, which could adversely affect the performance of our business, results of operations and cash flows.

**26. *We are subject to strict quality requirements and are consequently required to incur significant expenses to maintain our product quality. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.***

We are recycle, manufacture and supply the reclaimed rubbers in the form of (i) Butyl Reclaim Rubber, (ii) Natural Reclaimed Rubber and (iii) Whole Tyre Reclaim Rubber, based on order given by our customers. Given the nature of our products and the sector in which we operate, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers regarding the rubber composition may lead to cancellation of the orders placed by our customers. Further, any failure to make timely deliveries of products in the desired quantity as per our customers' requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. In addition, our customers may demand, among others, price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, cash flows, results of operations and financial condition.

**27. *Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

As of March 31, 2022, we own and operate manufacturing facility in Kathalal, Kheda, Gujarat with an aggregate approved total installed capacity of 5520 metric tons, for manufacturing of

Reclaimed rubber and scrap rubber. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

**28. *Information in relation to our installed capacity and capacity utilization of our manufacturing facility included in this Draft Prospectus is based on various assumptions and estimates, and future production and capacity utilization may vary.***

Information relating to our installed capacities and the capacity utilization of our manufacturing facility included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, actual product mix vis-à-vis the products mix envisaged for computation of our installed capacity and assumptions relating to potential utilization levels and operational efficiencies. While we have obtained a certificate dated December 9, 2022, from M/s DKN & Associates, Chartered Accountant, actual capacities and utilization rates may differ significantly from the estimated installed capacities or estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or estimated capacity utilization information for our existing facility included in this Draft Prospectus.

**29. *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, 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 issue of 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, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**30. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**31. *Delays or defaults in client payments could affect our operations.***

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

32. ***Loans availed by our Company has been secured on personal guarantees of our Director. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees provided by our Directors.***

Our Promoter and Director, Baldevbhai Patel has provided personal guarantee to secure a portion of our existing borrowings taken from the banks and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer chapter titled “***Financial Indebtedness***” beginning on page 236 of this Draft Prospectus.

33. ***Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture or get manufactured by third parties on our account, we may be required to write-down our inventory or pay our suppliers without new purchases or create additional vendor financing, which could have an adverse impact on our income and cashflows.

34. ***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/projects. 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.

35. ***Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

After the issue our promoters along with the promoter group will continue to hold collectively [•] of the post Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

36. ***We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them.***

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

37. ***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. 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, please refer to the Chapter titled “*Dividend Policy*” beginning on page 189 of this Draft Prospectus.

38. ***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.

39. ***We have not commissioned an industry report for the disclosures made in the section titled ‘Our Industry’ and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

We have not commissioned an industry report for the disclosures made in the section titled ‘Our Industry’ beginning of page 125 and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. Further, the industry data mentioned in this Draft Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

40. ***Certain data mentioned in this Draft Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or

reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

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

Our Company has entered into transactions with our certain related parties. While all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to Chapter titled "**Restated Financial Statement**" beginning on page 190 of this Draft Prospectus

**42. *Certain members of Promoter Group had not filed Income Tax Return for any Financial Year***

Our certain members of Promoter Group, i.e., Gangaben Hargovandas Patel, Chadrikaben Rajeshkumar Patel, Shardaben Mangandas Patel, Aastha Kishanbhai Patel, Jayaben Vijaybhai Patel of the company had not filed ITR return for any Financial year. Although no show cause notice have been issued against our members of Promoter Group till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against our member of promoter group.

**43. *We have in the past 12 months issued Equity Shares at a price which could be lower than the Issue Price. The price at which our Company has issued Equity Shares during the last one year from the date of this Draft Prospectus may not be indicative of the future price***

We have in the last twelve months prior to filing this Draft Prospectus, issued Equity Shares at prices that could be lower than the Issue Price. For information regarding such issuances of Equity Shares, please refer to Chapter titled "**Capital Structure—Notes to Capital Structure**" beginning on page 73 of this Draft Prospectus.

**44. *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 our Audit Committee.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange.<sup>635</sup> and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

For details please refer Chapter titled "**Objects of the Issue**" beginning on page 105 of the Draft Prospectus.

**45. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, 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.

**46. *Our Company in certain instances in the past, has delayed in paying statutory dues to various government and local bodies which may require us to pay penalties.***

Our Company has, in certain instances in the past, delayed payment of certain statutory dues in the past. Except as mentioned below, there are no outstanding litigations or anticipated penalties with respect to such delays as on date this Draft Prospectus:

(a) Interest in late payment of GST Rs. 74,066/-

(b) TDS Defaults Rs. 13, 870/-

We cannot assure that we will not be subject to civil and criminal liabilities for such delays. We cannot assure you that statutory dues owed by our Company will not be unpaid at balance sheet dates in the future or that we may not be subject to penalties imposed by the statutory authorities for such delays.

**47. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.***

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

## **EXTERNAL RISK FACTORS**

**48. *Our business is dependent on economic growth in India.***

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

**49. *If the rate of Indian price inflation increases, our results of operations and financial condition may be adversely affected.***

In recent years, India's wholesale price inflation index has indicated an increasing inflation trend compared to prior periods. An increase in inflation in India could cause a rise in the price of transportation, wages, raw materials or any other expenses. In particular, the prices of raw materials required for fabrication of our products are subject to increase due to a variety of factors beyond our control, including global commodities prices and economic conditions. If this trend continues, we may be unable to reduce our costs or pass our increased costs on to our customers and our results of operations and financial condition may be materially and adversely affected.

**50. *The extent and reliability of India's infrastructure could adversely impact our results of operations and financial conditions. Any disruption in the supply of power, raw materials and telecommunication or other services could disrupt our business process or subject us to additional costs.***

India's physical infrastructure is still developing. Any congestion or disruption with its port, rail and road networks, electricity grid, communication systems or any other public facility

could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. Disruption in basic infrastructure could negatively impact our business since we may not be able to procure raw materials on time, dispatch of finished goods as per schedule and provide timely and adequate operation and maintenance and other services to our clients. We do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, raw materials and telecommunication or other services are disrupted. This may result in the loss of customer, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations.

**51. *Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant 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. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reform. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However, there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

**52. *Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business.***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

**53. *Financial instability in Indian financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

**54. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details refer to the Chapter titled ***"Key Industry Regulations and Policies"*** beginning on page 151 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and

regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**55. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other/ adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

**56. *Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their applications (in terms of quantity of Equity Shares or the amount) at any stage after submitting an application.***

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and corporate bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the amount) at any stage after submitting an application. While our Company is required to complete Allotment pursuant to the issue within six Working Days from the Issue Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the issue or cause the trading price of the Equity Shares to decline on listing.

**57. *Emergence of competition from other manufacturing countries.***

The global reclaim rubber market is highly competitive. We may face global competition from countries. Our market position will depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry including pricing strategies. Any failure by us to compete efficiently, including in terms of pricing, could adversely affect our business, operations and profitability.

**Risk Related to our Equity shares**

**58. *The extent to which the Coronavirus disease (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.***

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting



travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Despite the lifting of the lockdown, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future. We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

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

The Issue Price of the Equity Shares has been determined by our Company in consultation with the LM, and through the Fixed Issue Process. This price is based on numerous factors, as described under “*Basis for Issue Price*” on page 116 of this Draft Prospectus and may not be indicative of the market price for the 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. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

**60. *The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

**61. *Our Equity Shares have not been publicly traded prior to this Issue. After this Issue, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.***

Prior to this Issue, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Issue.

The trading price of our Equity Shares after this Issue may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

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

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

**63. *Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our 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 requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. Further, in accordance with press note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

In addition, 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 or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. 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.

**64. *Investors may have difficulty enforcing foreign judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

**65. *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares

**66. *Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by our Promoter, Promoter Group or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by us may dilute your shareholding in us. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of the Issue, including by our Promoter or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of us to raise capital through offerings of the Equity Shares. Our Promoters and Promoter Group currently hold an aggregate of 86.48% of the pre issued paid up Equity Shares. After the completion of the Issue, our Promoters and Promoter Group will continue to hold [●] % of the post issue paid up Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

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

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offer document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

**68. *There is no guarantee that our Equity Shares will be listed on Emerge Platform of NSE in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue.

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Emerge Platform of NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**69. *The requirements of being a listed company may strain our resources.***

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

**70. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your

Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

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

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

**72. *Investors will not be able to sell immediately on a stock exchange any of the Equity Shares they purchase in the Issue.***

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

**73. *If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

**74. *There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently

of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

## SECTION - III –INTRODUCTION

### THE ISSUE

The following table summarizes the Issue details:

PARTICULARS	DETAILS OF EQUITY SHARES
<b>Issue of Equity Shares by our Company</b>	Upto 19,50,000 Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to maximum Rs. [●] Lakhs.
<i>Consisting of</i>	
<b>Market Maker Reservation Portion</b>	[●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakhs.
<b>Net Issue to The Public*</b>	[●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakhs.
<i>of which</i>	
<b>(A) Retail Portion</b>	[●] Equity Shares of face value of Rs.10.00/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs i.e., 50% of the Net Issue shall be available for allocation to the Retail Individual Investors.
<b>(B) Non – Institutional Portion</b>	[●] Equity Shares of face value of Rs.10.00/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs i.e., 50% of the Net Issue shall be available for allocation for Investors other than the Retail Individual Investors.
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the issue</b>	53,91,675 Equity Shares of face value of Rs. 10.00/- each.
<b>Equity Shares outstanding after the issue</b>	[●] Equity Shares of face value of Rs.10.00/- each.
<b>Use of Issue Proceeds</b>	For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 105 of this Draft Prospectus.

*The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on October 14, 2022 and approved by the shareholders of our Company vide a special resolution at the Extraordinary General Meeting held on October 18, 2022 pursuant to section 62(1)(c) of the Companies Act.*

*This Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, 2018, as amended. For further details, please refer to chapter titled “**Issue Structure**” beginning on page 262 of this Draft Prospectus.*

*\*As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net Issue to the public category shall be made as follows:*

a) *Minimum fifty percent to retail individual investor; and*

b) *remaining to:*

*(i) individual applicants other than retail individual investors; and*

*(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) above may be allocated to applicants in the other category.*

*If the retail individual investor category is entitled to more than allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*



## SUMMARY OF FINANCIAL INFORMATION

The following table set forth summary financial information derived from the Restated Financial Statements. The summary financial information presented below should be read in conjunction with ***“Restated Financial Statements”*** and ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** beginning on pages 190 and 226 respectively of this Draft Prospectus.

*[The Remainder of this Page has intentionally been left blank]*

**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**  
Annexure - 1 : Restated Statement of Assets and Liabilities

(Amount Rs. In Lakhs)

Particulars	Annex. No.	As At 30th September, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>I. Equity and Liabilities</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	5	313.85	221.65	20.15	20.15
(b) Reserve & Surplus	6	241.78	67.92	20.05	-2.68
(c) Money received against share warrants		0.00	0.00	0.00	0.00
<b>(2) Share application money pending allotment</b>		0.00	0.00	0.00	0.00
<b>(3) Non-current Liabilities</b>					
(a) Long term borrowings	7	16.38	3.49	364.49	362.56
(b) Deferred tax liabilities (Net)		0.00	0.00	0.00	0.00
(c) Other long term liabilities		0.00	0.00	0.00	0.00
(d) Long term provisions	8	2.61	2.17	1.30	0.71
<b>(4) Current Liabilities</b>					
(a) Short term borrowings	9	255.00	265.81	30.18	14.69
(b) Trade payables	10				
(A) Total outstanding dues of micro and small enterprises		0.62	1.97	2.71	2.26
(B) Total outstanding dues of creditors other than micro and small enterprise		111.26	87.61	97.92	102.20
(c) Other current liabilities	11	25.29	35.85	55.96	30.03
(d) Short term provisions	12	27.86	17.83	2.11	2.54
<b>Total</b>		<b>994.65</b>	<b>704.32</b>	<b>594.88</b>	<b>532.45</b>
<b>II. Assets</b>					
<b>(1) Non-current Assets</b>					
(a) Property, Plant and Equipment and Intangible assets					
(i) Property, Plant and Equipment	13	297.21	283.20	278.54	304.59
(ii) Intangible assets		45.44	0.00	0.00	0.00
(iii) Capital WIP		0.00	0.00	0.00	0.00
(iv) Intangible assets under development		0.00	0.00	0.00	0.00
(b) Non-current investments		0.00	0.00	0.00	0.00
(c) Deferred tax assets (net)	14	5.18	5.53	9.97	39.32
(d) Long term loans and advances	15	26.55	26.55	26.55	26.35
(e) Other non-current assets		0.00	0.00	0.00	0.00
<b>(2) Current Assets</b>					
(a) Current investments		0.00	0.00	0.00	0.00
(b) Inventories	16	262.63	183.60	108.31	79.65
(c) Trade receivables	17	55.24	41.15	91.30	57.28
(d) Cash and cash equivalents	18	19.47	18.23	38.57	7.87
(e) Short-term loans and advances	19	273.77	132.38	31.79	15.15
(f) Other current assets	20	9.17	13.68	9.85	2.25
<b>Total</b>		<b>994.65</b>	<b>704.32</b>	<b>594.88</b>	<b>532.45</b>
Significant Accounting Policies	4A				
Reconciliation of Restated Profit & Audit Profit	4B				
Notes forming part of the Financial Statement	5 to 35				

As per our report of even date

For S D P M & Co.  
(Formerly known as Sunil Dad & Co.)  
Chartered Accountants  
Firm Regd. No. 126741W

Malay Pandit  
Partner  
M.No.- 046482  
UDIN - 22046482BCFGFH5763



Ahmedabad, 05th November, 2022

For and on behalf of Board of Directors  
Lead Reclaim and Rubber Products Limited

Baldevbhai Patel  
Chairman - Non Executive Director  
DIN : 02479686

Arti Tolla  
Company Secretary  
PAN : BPKPA0912D  
Ahmedabad, 05th November, 2022

Jayesh Patel  
Managing Director  
DIN : 05007490

Rajeshbhai Sodhaparmar  
Chief Financial Officer  
PAN : CKGPS0152M



# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## Annexure - 2 : Restated Statement of Profit and Loss

(Amount Rs. In Lakhs)

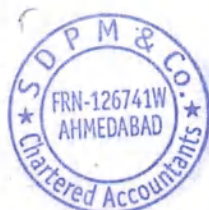
Particulars	Annex No	Sep-22	2021-22	2020-21	2019-20
I. Revenue from operations:	21	492.39	1,030.09	703.50	477.31
II. Other income:	22	6.60	6.84	2.76	6.35
<b>III. Total Income (I + II)</b>		<b>498.99</b>	<b>1,036.93</b>	<b>706.26</b>	<b>483.67</b>
<b>IV. Expenses:</b>					
Cost of material consumed	23	344.54	621.37	351.20	221.43
Purchases of Stock-in-Trade	24	12.86	0.00	0.50	0.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	-93.66	-26.36	9.78	-4.82
Employee benefit expense	26	27.61	47.69	27.49	15.30
Finance Costs	27	10.21	21.40	31.77	29.07
Depreciation and Amortization Expense	28	17.73	35.97	36.33	41.89
Other Expenses	29	131.63	270.53	197.09	137.65
<b>Total Expenses (IV)</b>		<b>450.91</b>	<b>970.60</b>	<b>654.17</b>	<b>440.52</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	<b>48.08</b>	<b>66.33</b>	<b>52.09</b>	<b>43.15</b>
VI. Exceptional Items		0.00	0.00	0.00	0.00
VII. Profit before extraordinary items and tax	(V - VI)	<b>48.08</b>	<b>66.33</b>	<b>52.09</b>	<b>43.15</b>
VIII. Extraordinary Items		0.00	0.00	0.00	0.00
IX. Profit before tax	(VII - VIII)	<b>48.08</b>	<b>66.33</b>	<b>52.09</b>	<b>43.15</b>
X. Tax Expense:					
(1) Current Tax		12.17	14.03	0.00	0.00
(2) Deferred Tax	30	0.35	4.43	29.35	0.36
(3) Short/(Excess) Provision of Income Tax of Earlier Years		0.00	0.00	0.00	6.42
XI. Profit(Loss) from the period from continuing operations	(IX-X)	<b>35.55</b>	<b>47.87</b>	<b>22.74</b>	<b>36.36</b>
XII. Profit/(Loss) from discontinuing operations		0.00	0.00	0.00	0.00
XIII. Tax expense of discontinuing operations		0.00	0.00	0.00	0.00
XIV. Profit/(Loss) from discontinuing operations after tax	(XII - XIII)	0.00	0.00	0.00	0.00
XV. Profit/(Loss) for the period	(XI + XIV)	<b>35.55</b>	<b>47.87</b>	<b>22.74</b>	<b>36.36</b>
XVI. Earning Per Equity Share:					
(1) Basic		<b>0.88</b>	<b>3.00</b>	<b>7.28</b>	<b>11.64</b>
(2) Diluted		<b>0.88</b>	<b>3.00</b>	<b>7.28</b>	<b>11.64</b>
Significant Accounting Policies	4A				
Reconciliation of Restated Profit & Audit Profit	4B				
Notes forming part of the Financial Statement	5 to 35				

As per our report of even date

For S D P M & Co.  
(Formerly known as Sunil Dad & Co.)  
Chartered Accountants  
Firm Regd. No. 126741W

Malay Pandit  
Partner  
M.No.- 046482  
UDIN - 22046482BCFGFH5763

Ahmedabad, 05th November, 2022



For and on behalf of Board of Directors  
Lead Reclaim and Rubber Products Limited

Baldevbhai Patel  
Chairman - Non Executive Director  
DIN : 02479686

Arti Tolla  
Company Secretary  
PAN : BPKPA0912D  
Ahmedabad, 05th November, 2022

Jayesh Patel  
Managing Director  
DIN : 05007490

Rajeshbhai Sodhaparmar  
Chief Financial Officer  
PAN : CKGPS0152M



# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## Annexure - 3 : Restated Statement of Cash Flow

(Amount Rs. In Lakhs)

Particulars	As At 30th September, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>(A) Cash Flow from Operating Activities</b>				
Restated Net Profit Before Tax and Extraordinary items	48.08	66.33	52.09	43.15
Adjustments For:				
Gratuity Provision	0.00	0.00	0.00	0.00
(Interest Received)	-6.60	-6.84	-2.76	-6.35
Income-tax/Prior Year Adjustment	0.00	0.00	0.00	0.00
(Profit on sale of fixed assets)	0.00	0.00	0.00	0.00
Interest and Finance Charges Paid	10.21	21.40	31.77	29.07
Depreciation	17.73	35.97	36.33	41.89
Operating profit before working capital changes	69.42	116.85	117.43	107.76
Changes in Working Capital				
(Increase)/Decrease in Trade Receivables	-14.09	50.15	-34.02	3.40
(Increase)/Decrease in Inventories	-79.02	-75.29	-28.66	-11.10
(Increase)/Decrease in Short Term Loans and Advances	-141.39	-100.59	-16.64	-8.59
(Increase)/Decrease in Long Term Loans and Advances	0.00	0.00	0.00	0.00
(Increase)/Decrease in Other Current Assets	4.51	-3.83	-7.61	-1.14
(Increase)/Decrease in Other Non-current Assets	0.00	0.00	0.00	-6.15
Increase/(Decrease) in Long Term Provisions	0.43	0.87	0.59	0.71
Increase/(Decrease) in Trade Payables	22.30	-11.05	-3.82	11.82
Increase/(Decrease) in other Current liabilities	-10.56	-20.11	25.93	-27.48
Increase/(Decrease) in Short Term Provisions	-2.14	1.69	-0.43	1.13
Cash Generated from / (used in) operating activities	-150.54	-41.31	52.77	70.35
Less : Income Tax paid	0.00	0.00	0.00	0.00
Cash Flow before extraordinary items	-150.54	-41.31	52.77	70.35
Extraordinary items	0.00	0.00	0.00	0.00
Net cash generated from / (used in) Operating Activities.....A	-150.54	-41.31	52.77	70.35
<b>(B) Cash Flow from Investing Activities</b>				
Movement in Loans & advances	0.00	0.00	-0.20	0.00
Interest Received	6.60	6.84	2.76	6.35
(Purchase) of Tangible Fixed Assets	-77.16	-40.62	-10.28	-5.87
Sale of Tangible Fixed Assets	0.00	0.00	0.00	0.00
Net cash generated from / (used in) Investing Activities.....B	-70.56	-33.78	-7.72	0.49
<b>(C) Cash Flow from financing Activities</b>				
Increase/(Decrease) in Share Capital	230.50	201.50	0.00	0.00
Increase/(Decrease) in Short Term Borrowings	-10.82	235.63	15.49	-189.79
Increase/(Decrease) in Long Term Borrowings	12.89	-361.00	1.94	138.63
Interest and Finance Charges Paid	-10.21	-21.40	-31.77	-29.07
Dividend & tax thereon	0.00	0.00	0.00	0.00
Increase/(Decrease) in Share Application Money	0.00	0.00	0.00	0.00
Net cash generated from / (used in) Financing Activities.....C	222.35	54.74	-14.35	-80.24
Net increase in cash and cash equivalents (A+B+C)	1.25	-20.35	30.71	-9.40
Cash and cash equivalents at the beginning	18.23	38.57	7.87	17.27
Cash and cash equivalents at the end	19.47	18.23	38.57	7.87

### Notes :-

1) Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.



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B+Puthi

J B Patel

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2) Figures in brackets represents outflows.

3) The above statement should be read with the restated statement of assets and liabilities, statement of profit and loss, Significant Accounting Policies and Notes as appearing in Annexure 1, 2 and 4(A) respectively

For S D P M & Co.  
(Formerly known as Sunil Dad & Co.)  
Chartered Accountants  
Firm Regd. No. 126741W



Malay Pandit  
Partner  
M.No.- 046482  
UDIN - 22046482BCFGFH5763

Ahmedabad, 05th November, 2022

For and on behalf of Board of Directors  
Lead Reclaim and Rubber Products Limited

*B. Patel*  
Baldevbhai Patel  
Chairman - Non Executive Director  
DIN : 02479686

*Arti Tolla*  
Arti Tolla  
Company Secretary  
PAN : BPKPA0912D  
Ahmedabad, 05th November, 2022

*J B Patel*  
Jayesh Patel  
Managing Director  
DIN : 05007490

*Rajeshbhai Sodhaparmar*  
Rajeshbhai Sodhaparmar  
Chief Financial Officer  
PAN : CKGPS0152M



## GENERAL INFORMATION

Our Company was incorporated as “Lead Amber Microtech Limited” on October 31, 2012 under the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli bearing Corporate Identification Number (CIN) U30007GJ2012PLC072513. Further, the name of our Company was changed to “Lead Reclaim and Rubber Products Limited” vide special resolution passed in the Extraordinary General Meeting dated December 28, 2013. The fresh certificate of incorporation consequent to name change was issued on December 31, 2013 by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli bearing CIN U25203GJ2012PLC072513. For further details, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page no. 156 of this Draft Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

Lead Reclaim and Rubber Products Limited

A/8, Sunvilla Complex,

Near Chines Hut Hotel, Dahej By Pass Road,

Bharuch – 392001, Gujarat, India.

**Tel No:** +91 73590 10333

**Email:** [info@leadrubber.com](mailto:info@leadrubber.com)

**Website:** [www.leadreclaim.com](http://www.leadreclaim.com)

### CORPORATE IDENTITY NUMBER AND REGISTRATION NUMBER

Company Registration Number: 072513

Corporate Identity Number: U25203GJ2012PLC072513

### ADDRESS OF THE REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Ahmedabad located at the following address:

ROC Bhavan, Opp Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad-380013, Gujarat, India.

### BOARD OF DIRECTORS OF OUR COMPANY

Our Company’s Board comprises of the following Directors as set forth in the following table: -

Name	DIN	Designation	Residential Address
Baldevbhai Patel	02479686	Chairman and Non-Executive Director	B/4 Hariom Nagar, Bholav, Bharuch, Gujarat-392001, Gujarat, India.
Jayeshkumar Patel	05007490	Managing Director	B-4 Hariom Nagar Society, Nandewar Road, near R.T.O office, Bholav Bharuch - 392001, Gujarat, India.
Kalpesh Patel	06779248	Whole - Time Director	17, Dharmnath society Opp. Vakhariyal School, Kalol District Gandhinagar-382721, Gujarat, India.

Name	DIN	Designation	Residential Address
Manish Patel	09568421	Independent Director	203, Neelkamal Co-Operative Housing Society, Near National School, Anklesvar, Bharuch-393001, Gujarat, India.
Hetalben Patel	09568460	Independent Director	8/8, Ramji Mandir Street, Shankarpura, Post. Vadasma, Mehsana-382705, Gujarat, India.
Mayankkumar Dalsania	09586616	Independent Director	C-115/116, Ganesh Kunj Society, Dahej By Pass Road, Bharuch-392001, Gujarat, India.

For detailed profile of our Board of Directors, please refer to the chapter titled “*Our Management*” beginning on page 161 of this Draft Prospectus.

#### **COMPANY SECRETARY & COMPLIANCE OFFICER**

##### **Arti Totla**

A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej By Pass Road,  
Bharuch – 392001, Gujarat, India.

**Tel No:** + 91-73590 10333

**Email:** [info@leadrubber.com](mailto:info@leadrubber.com)

**Website:** [www.leadreclaim.com](http://www.leadreclaim.com)

#### **CHIEF FINANCIAL OFFICER**

##### **Rajeshbhai Sodhaparmar**

A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej By Pass Road,  
Bharuch – 392001, Gujarat, India.

**Tel No:** + 91-73590 10333

**Email:** [info@leadrubber.com](mailto:info@leadrubber.com)

**Website:** [www.leadreclaim.com](http://www.leadreclaim.com)

*Note: Investors can contact our Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Issue, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc.*

#### **INVESTOR GRIEVANCES**

All Issue related grievances relating to the ASBA process and UPI payment mechanism may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form Number, Applicant DP ID, Client ID, UPI ID, PAN, date of the ASBA Form, address of the applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant and ASBA Account number (for Applicants other than Retail Investors using the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or the UPI ID in case of Retail Investor using the UPI Mechanism.

Further, the investors shall also enclose the Acknowledgement Slip from the Designated



Intermediaries in addition to the documents/ information mentioned above. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicants whose application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and EBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SCSBs are required to compensate the investor immediately on the receipt of complaint.

#### **DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY:**

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>FEDEX SECURITIES PRIVATE LIMITED</b> B 7, 3 <sup>rd</sup> Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India <b>Tel No:</b> +91 8104985149 <b>Contact Person:</b> Saipan Sanghvi <b>Email Id:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> <b>Website:</b> <a href="http://www.fedsec.in">www.fedsec.in</a> <b>Investor Grievance Email:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> <b>SEBI Registration Number:</b> INM000010163	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No. S6-2, 6 <sup>th</sup> Floor, Pinnacle business Park, Next to Ahura Center, Mahakali Caves Road, Andheri (East), Maharashtra-400093, India <b>Tel No:</b> +91-022-62638200 <b>Fax No:</b> +91-022-62638299 <b>E-mail Id:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Aniket Chindarkar <b>SEBI Registration No:</b> INR000001385 <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>
LEGAL ADVISOR TO THE ISSUE	BANKERS TO THE ISSUE / REFUND BANK / SPONSOR BANK
Samvitti Legal # No. 310, Shankalp Business Bay, Near KSR Metro, Bangalore – 560 023 <b>Tel No:</b> 080 29916424 <b>Fax No:</b> NA <b>E-mail Id:</b> <a href="mailto:shreyadesai@samvittilegal.com">shreyadesai@samvittilegal.com</a> <b>Website:</b> NA <b>Contact Person:</b> Shreya Desai <b>Certificate of Practice Number:</b> MAH/4461/2014	[ ● ]



BANKERS TO THE COMPANY	STATUTORY AUDITOR
<b>ICICI BANK LIMITED</b> <b>Address:</b> 2, Radhe Kishna, Block B Residency, Opposite Karnavati Mega Mall, Vastral, Ahmedabad-382418 <b>Tel No:</b> +91-7304914962 <b>Fax No:</b> NA <b>E-mail Id:</b> vinaykumar.panchal@icicibank.com <b>Contact Person:</b> Vinay Panchal	<b>M/S DKN &amp; ASSOCIATES**</b> <b>Address:</b> 7-8, 2nd Floor, Shree Rang Palace, Inox Multiplex, Zadeshwar Road Bharuch-392012, Gujarat, India <b>Tel No:</b> 9824112375 <b>Fax No:</b> NA <b>E-mail Id:</b> <a href="mailto:office@dknca.com">office@dknca.com</a> ; <a href="mailto:dhiraj@dknca.com">dhiraj@dknca.com</a> <b>Contact Person:</b> CA Dhiraj Agrawal <b>Membership No:</b> 107286 <b>Firm Registration No.</b> 120386W <b>Peer Reviewed No.:</b> 008080
PEER REVIEW AUDITOR	
<b>M/S S D P M &amp; Co., Chartered Accountant *</b> <b>Address:</b> 1016, Anand Mangal -III, opp Core House, Apollo City Centre Lane, Ambawadi, Ahmedabad <b>Tel No:</b> 079 4897 1100 <b>Fax No:</b> NA <b>E-mail Id:</b> <a href="mailto:ca.sdco@gmail.com">ca.sdco@gmail.com</a> / <a href="mailto:info@sdco.in">info@sdco.in</a> <b>Contact Person:</b> CA Malay Pandit <b>Membership No:</b> 046482 <b>Firm Registration No:</b> 126741W <b>Peer Reviewed No.:</b> 012411	

\* *M/s S D P M & Co., Chartered Accountants (formerly known as M/s Sunil Dad & co) holds a valid peer review certificate number – 126741W issued by the “Peer Review Board” of the Institute of Chartered Accounts of India, New Delhi.*

\*\* *M/S DKN & ASSOCIATES, Chartered Accountants holds Peer Reviewed Certificate number-008080 which was expired on June 01, 2019. However, they have applied for renewal of peer review certificate with the peer review board of ICAI and the final peer review certification is awaited.*

*#Legal Advisor to the Issue to the extent of Legal section.*

#### **SYNDICATE MEMBER**

As on the date of this Draft Prospectus, there are no syndicate members.

#### **DESIGNATED INTERMEDIARIES**

#### **SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)**

The list of SCSBs notified by SEBI for the ASBA process is available at

<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant (other than an UPI Applicant using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> , or at such other websites as may be prescribed by SEBI from time to time

### **INVESTORS BANKS OR ISSUER BANK FOR UPI**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Applicants Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### **Syndicate SCSB Branches**

In relation to Offer submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> ) and updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches collecting Application form Forms from the Syndicate at Specified Locations, see the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> as updated from time to time or any other website prescribed by SEBI from time to time

### **REGISTERED BROKERS**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at And [https://www1.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](https://www1.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

### **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS (“RTA”)**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### **COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Fedex Securities Private Limited being sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

### **IPO GRADING**

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

#### **CREDIT RATING**

This being an Issue of Equity Shares, credit rating is not required.

#### **DEBENTURE TRUSTEES**

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

#### **GREEN SHOE OPTION**

No Green Shoe Option is applicable for this Issue.

#### **BROKERS TO THE ISSUE**

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

#### **MONITORING AGENCY**

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below 10,000 Lakh. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **APPRAISING ENTITY**

No appraising entity has been appointed in respect of any objects of this Issue.

#### **EXPERT OPINION**

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

Our Company has received written consent dated November 10, 2022 from the Statutory Auditor, namely, M/s DKN & Associate, Chartered Accountant to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Prospectus/Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor and such consent has not been withdrawn as on the date of this Draft Prospectus. The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent from the Independent Chartered Accountant namely, M/s S D P M & Co, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus/ Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated November 05, 2022 and Report on Statement of Tax Benefits dated November 05, 2022 and issued by them, included in this Draft Prospectus/Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

#### **FILING THE DRAFT PROSPECTUS / PROSPECTUS**

The Draft Prospectus and Prospectus shall be filed with the Emerge Platform of NSE India (“**NSE EMERGE Platform**”) However, pursuant to sub regulation (5) of regulation 246, the soft copy of the Draft Prospectus and the Prospectus shall be furnished to the SEBI, pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. However, SEBI shall not issue any observation on the Draft Prospectus and the Prospectus in terms of Regulation 246(2) of SEBI ICDR Regulations.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 shall be filed to the Registrar of Companies situated RoC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus-Stop, Naranpura, Ahmedabad – 380 013.

#### **UNDERWRITERS**

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being issued through this Issue.

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Lakhs)	% of the total Issue size Underwritten
[●] [●] <b>Tel No:</b> +91 [●] <b>Fax No:</b> Not Available <b>Contact Person:</b> [●] <b>Email Id:</b> [●] <b>Website:</b> [●] <b>Investor Grievance Email:</b> [●] <b>SEBI Registration Number:</b> [●]	[●]*	[●]	[●]
<b>TOTAL</b>	[●]	[●]	[●]

*\*Includes [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their underwriting obligations in full.

#### **CHANGE IN THE STATUTORY AUDITOR DURING LAST 3 YEARS**

There has been no change in the Auditors of the company during the last three years.

#### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the Final Listing and Trading Approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the Stock Exchange where the Equity Shares may be proposed to be listed.

## TYPE OF ISSUE

The present issue is considered to be 100% Fixed Price Issue.

## MIGRATION TO MAIN BOARD

Our Company may migrate to the Main board of Stock Exchanges from Emerge Platform of NSE on a later date subject to the following:

If the Paid-up Capital of our Company is likely to increase above Rs. 2,500.00 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained In-Principal approval from the Main Board), our Company shall apply to Stock Exchanges for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid-up Capital of our Company is more than Rs. 1,000.00 lakhs but below Rs. 2,500.00 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligibility criteria for listing laid by the Main Board and if the same has been approved by a special resolution wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal or as per applicable provisions.

## DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this Issue:

Name	[●]
Address	[●]
Tel no	[●]
Fax no	[●]
Email id	[●]
Website	[●]
Investor Grievance Id	[●]
Contact person	[●]
Sebi Registration no	[●]
Market Making Registration No.	[●]

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE India to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued.

[●] registered with EMERGE Platform of NSE India will act as the market maker and have agreed to receive or deliver the specified securities in the market making process for a period of three (3) years

from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and as amended from time to time and the circulars issued by the NSE India and SEBI regarding this matter from time to time.

**Following is a summary of the key details pertaining to the Market Making arrangement:**

1. The Market Maker(s) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of EMERGE Platform of NSE India and SEBI from time to time
3. The minimum depth of the quote shall be Rs. 1.00 Lakh. However, the investors with holdings of value less than 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●]/- per share the minimum bid lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by Emerge Platform of NSE India.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to 20 Crore	25%	24%
20 to 50 Crore	20%	19%
50 to 80 Crore	15%	14%
Above 80 Crore	12%	11%

6. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

8. There would not be more than five Market Makers for a scrip at any point of time. These would be selected on the basis of objective criteria to be evolved by the Exchange which would include capital adequacy, net worth, infrastructure, minimum volume of business etc. The Market Makers may compete with other Market Maker for better quotes to the investors. At this stage, [●] is acting as the sole Market Maker.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
10. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. The shares of our Company will be traded in continuous trading session from the time and day our company gets listed on Emerge Platform of NSE India and the Market Maker will remain present as per the guidelines mentioned under NSE India and SEBI circulars.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other proble All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.
13. Once registered as a Market Maker, he has to act in that capacity for a period as mutually decided between the Lead Manager and Market Maker. Once registered as a Market Maker, he has to start providing quotes from the day of the listing/the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Stock Exchange.
14. The Market Maker shall have the right to terminate said arrangement by giving a three month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
15. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Maker does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
16. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE India to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued. Emerge Platform of NSE India will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE India can impose any other margins as deemed necessary from time-to-time.
17. **Punitive Action in case of default by Market Makers:** Emerge Platform of NSE India will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker,

in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

18. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

19. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the Emerge Platform of NSE India

Sr No.	Market Price slab (in Rs.)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

20. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE India from time to time.

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.



## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus and after giving effect to the Issue is set forth below:

*(Amount Rs. in Lakhs except share data)*

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>AUTHORISED EQUITY SHARE CAPITAL</b>		
	80,00,000 Equity Shares of face value of Rs.10.00/- each	800.00	-
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	53,91,675 Equity Shares of face value of Rs.10.00/- each	539.17	-
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS *</b>		
	Up to 19,50,000 Equity Shares of Rs.10.00/- each for cash at price of Rs. [●]/- per share	195.00	[●]
	<b>Which comprises:</b>		
	<b>Market Maker Reservation portion:</b> Reservation for Market Maker up to [●] Equity Shares of Rs. 10.00/- each for cash at price of Rs. [●]/- will be available for allocation to Market Maker	[●]	[●]
	<b>Net Issue to the Public:</b> Net Issue to the Public up to [●] Equity Shares of Rs.10.00/- each for cash at price of Rs. [●]/- per share	[●]	[●]
	<b>Of which: ***</b>		
	<b>Allocation to Retail Individual Investor:</b> Up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid up for a cash price of Rs. [●]/- per Equity Share i.e. 50% of the Net Issue shall be available for allocation Retail Individual Investors	[●]	[●]
	<b>Allocation to Other than Retail Individual Investors:</b> Up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid up for a cash price of Rs. [●]/- per Equity Share i.e. 50% of the Net Issue shall be available for allocation to other than Retail Individual Investors	[●]	[●]
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>		

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate value at Issue Price
	<b>AFTER THE ISSUE</b>		
	[ ● ] Equity Shares of face value of Rs. 10.00 each		[ ● ]
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue (as on date of this Draft Prospectus) **		121.23
	After the Issue*		[ ● ]

*\*The present Issue has been authorized pursuant to a resolution of our Board of Directors dated October 14, 2022 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of the members held on October 18, 2022.*

*\*\*As certified by the statutory auditor M/s S D P M & Co., Chartered Accountants vide its certificate dated December 13, 2022, UDIN:22046482BFIUEG9979.*

*\*\*\*Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

### **Class of Shares**

Our Company has only one class of share capital i.e., Equity Shares of Rs. 10.00/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Draft Prospectus.

### **NOTES TO THE CAPITAL STRUCTURE**

#### **1. Changes in Authorised Equity Share Capital of our Company:**

Details of changes in Authorized Share Capital of the Company since incorporation:

Particulars of change	Date of shareholders' meeting	AGM/EOG M
The Authorised Share Capital of our Company is Rs. 25,00,000 consisting of 2,50,000 Equity Share of face value of Rs. 10.00/- each	On Incorporation	NA
Increase in Authorised Capital from Rs.25,00,000 to Rs. 2,25,00,000 consisting of 22,50,000 Equity Share of face value of Rs. 10.00/- each	October 30, 2021	AGM
Increase in Authorised Capital from Rs. 2,25,00,000 to Rs. 5,00,00,000 consisting of 50,00,000 Equity Share of face value of Rs. 10.00/- each	March 8, 2022	EOGM
Increase in Authorised Capital from Rs. 5,00,00,000 to Rs. 8,00,00,000 consisting of 80,00,000 Equity Share of face value of Rs. 10.00/- each	October 18, 2022	EOGM

## 2. History of Issued and Paid-Up Share Capital of our Company

The history of the Equity Share Capital of our Company is detailed in the following table:

Date of Allotment/ Issue	Number of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid Up Equity Shares Capital (Rs.)
On Incorporation	50,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	50,000	5,00,000
March 4, 2013	17,550	10	10	Cash	*Further Issue <sup>(ii)</sup>	67,550	6,75,500
May 13, 2013	8,750	10	10	Cash	*Further Issue <sup>(iii)</sup>	76,300	7,63,000
October 22, 2013	8,200	10	10	Cash	*Further Issue <sup>(iv)</sup>	84,500	8,45,000
March 26, 2014	44,500	10	10	Cash	Private Placement <sup>(v)</sup>	1,29,000	12,90,000
September 20, 2014	44,500	10	180	Cash	Private Placement <sup>(vi)</sup>	1,73,500	17,35,000
December 17, 2014	28,000	10	180	Cash	Right Issue <sup>(vii)</sup>	2,01,500	20,15,000
February 12, 2022	8,06,000	10	10	Cash	Right Issue <sup>(viii)</sup>	10,07,500	1,00,75,000
March 9, 2022	12,09,000	10	10	Cash	Right Issue <sup>(ix)</sup>	22,16,500	2,21,65,000
August 30, 2022	4,70,000	10	25	Cash	Right Issue <sup>(x)</sup>	26,86,500	2,68,65,000
September 29, 2022	4,52,000	10	25	Cash	Right Issue <sup>(xi)</sup>	31,38,500	3,13,85,000
October 14, 2022	3,40,000	10	25	Cash	Right Issue <sup>(xii)</sup>	34,38,500	3,43,85,000
October 18, 2022	19,13,175	10	Nil	Other than Cash	Bonus Issue <sup>(xiii)</sup>	53,91,675	5,39,16,750

i. List of allottees who were allotted equity shares of face value Rs.10 each pursuant to initial subscription to the MoA are as follows:

Sr. No.	Name	No. of Equity Shares
1.	Baldevbhai Patel	10,000
2.	Jayeshkumar Patel	10,000
3.	Rekhaben Patel	10,000
4.	Bharatbhai Patel	5,000
5.	Kiransinh J. Rathod	5,000
6.	Pareshkumar Patel	5,000
7.	Ankita Patel	5,000
<b>Total</b>		<b>50,000</b>

**ii. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Yogeshbhai S Valand	250
2.	Rahul A Patel	250
3.	Amrutlal S Patel	250
4.	Arvindbhai T Patel	500
5.	Bhaveshkumar M Patel	250
6.	Ratilal B Patel	250
7.	Kaniyalal B Patel	250
8.	Ravindra M Patel	300
9.	Kamlesh M Patel	250
10.	Dhirubhai G Ganvit	500
11.	Ravi R Patel	4,000
12.	Mayank Dalsania	250
13.	Vijaykumar P Patel	1,000
14.	Milam N Viramgama*	250
15.	Indrajit R Padhiyar	250
16.	Jyotindra V Patel	250

Sr. No.	Name	No. of Equity Shares
17.	Chintan H Jani	250
18.	Dhashrathbhai N Patel*	250
19.	Mafatlal V Patel	250
20.	Bharatkumar P Vora	250
21.	Rajendra M Prajapati	500
22.	Mina Rajendra Prajapati	500
23.	Prakashbhai Patel	250
24.	Manjiben B Patel*	500
25.	Manubhai Patel*	250
26.	Arpit Vijat Panddy	250
27.	Pankaj Shikala*	250
28.	Bharatbhai K Patel	1,000
29.	Jashwantbhai K Patel	1,000
30.	Krunalkumar Bramhbhatt*	500
31.	Alpeshbhai D Patel	2,500
<b>Total</b>		<b>17,550</b>

\*The Equity shares allotted was inadvertently and erroneously mentioned the name as Manjiben B Patel, Pankaj Shikala, Milam N Viramgama, Dhashrathbhai N Patel, Krunalkumar Bramhbhatt and Manavbhai Patel in the Form 2 filed with RoC, instead of Manjulaben Bharatbhai Patel, Pankaj Shukala, Milankumar N Viramgama, Dashrathbhai N Patel, Kunalkumar A Brahmbhatt and Manubhai Patel. For further details, please refer to the chapter titled “**Risk Factor**” beginning on page no. 32 of this Draft Prospectus.

**iii. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Bunty Nizama*	250
2.	Jay M Jain	250
3.	Ramanbhai S Patel	250
4.	Arjun Enterprise*	250
5.	Liladhar Parmar	1,000

Sr. No.	Name	No. of Equity Shares
6.	Manubhai Patel	2,250
7.	Rajendrakumar Naginlal Patel	500
8.	Kiran Padhiyar	250
9.	Garavbhai*	250
10.	Harshad Baldha	500
11.	Samir Patel	500
12.	Ramji Mangro*	500
13.	Suhel Yakub Patel	1,000
14.	Rahul Kumar M Patel	1,000
<b>Total</b>		<b>8,750</b>

\* The Equity shares allotted was inadvertently and erroneously mentioned the name as Garav Bhai, Ramji Mangro, Arjun Enterprise and Bunty Nizama in the Form 2 filed with RoC, instead of Gauravbhai Kirithbhai Dholakhiya, Ramji Hirji Mungra, Lakhaman Mohanbhai Tukadiya and Buntibhai Naginbhai Nizama. For further details, please refer to the chapter titled **“Risk Factor”** beginning on page no. 32 of this Draft Prospectus.

**iv. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Manubhai Patel	2,500
2.	Chirag V Intwala	3,700
3.	Mahesh Bhai*	1,000
4.	Sanjay Bhai*	1,000
<b>Total</b>		<b>8,200</b>

\* The Equity shares allotted was inadvertently and erroneously mentioned the name as Sanjay Bhai and Mahesh Bhai in the Form 2 filed with RoC, instead of Sanjay Ramanbhai Patel and Maheshbhai Thakar. For further details, please refer to the chapter titled **“Risk Factor”** beginning on page no. 32 of this Draft Prospectus.

**v. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Manubhai Patel	2,500
2.	Nayanben Thakar	1,000

3.	Sanjay Bhai Patel*	1,000
4.	Baldevbhai Hargovandas Patel	20,000
5.	Dakshaben Chauhan	10,000
6.	Dakshaben Patel*	10,000
<b>Total</b>		<b>44,500</b>

The Equity shares allotted was inadvertently and erroneously mentioned the name as Dakshaben Chauhan, Sanjay Bhai Patel and Dakshaben Patel in the PAS 3 filed with RoC, instead of Daxaben Chauhan, Sanjay Ramanbhai Patel and Diksha Patel. For further details, please refer to the chapter titled “**Risk Factor**” beginning on page no. 32 of this Draft Prospectus.

**vi. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Baldevbhai Hargovandas Patel	2,475
2.	Rekhaben Patel	2,000
3.	Jayeshkumar Patel	2,000
4.	Sadhana Patel	4,000
5.	Ravikumar Patel*	4,000
6.	Pareshkumar Patel	2,000
7.	Ankita Patel	2,000
8.	Mina Prajapati	2,000
9.	Dineshsingh Chauhan	4,900
10.	Daxaben Chauhan	4,000
11.	Vishnubhai Patel	2,000
12.	Manjulaben Patel	2,000
13.	Kalpeshbhai Patel	4,125
14.	Dakshaben Patel	3,000
15.	Piyushbhai Patel	2,000
16.	Sardaben Patel	2,000
<b>Total</b>		<b>44,500</b>

The Equity shares allotted was inadvertently and erroneously mentioned the name as Dakshaben Patel and Ravikumar Patel in the PAS 3 filed with RoC, instead of Diksha Patel and Ravindra M Patel. For

further details, please refer to the chapter titled “**Risk Factor**” beginning on page no. 32 of this Draft Prospectus.

**vii. Right Issue of 28,000 Equity shares to existing shareholders. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Baldevbhai Hargovandas Patel	3,000
2.	Rekhaben Patel	2,500
3.	Jayeshkumar Patel	2,500
4.	Sadhna Patel	2,500
5.	Pareshkumar Patel	3,000
6.	Dineshsinh Chauhan	3,000
7.	Daxaben Chauhan	3,000
8.	Kalpeshbhai Patel	2,000
9.	Dakshaben Patel	2,000
10.	Piyushbhai Patel	2,500
11.	Sardaben Patel*	2,000
<b>Total</b>		<b>28,000</b>

The Equity shares allotted was inadvertently and erroneously mentioned the name as Dakshaben Patel and Sardaben Patel in the PAS 3 filed with RoC, instead of Diksha Patel and Shardaben Patel. For further details, please refer to the chapter titled “**Risk Factor**” beginning on page no. 32 of this Draft Prospectus.

**viii. Right Issue of 8,06,000 Equity shares to existing shareholders. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1.	Baldevbhai Patel	2,06,000
2.	Jayeshkumar Patel	3,00,000
3.	Sadhna Patel	3,00,000
<b>Total</b>		<b>8,06,000</b>

**ix. Right Issue of 12,09,000 Equity shares to existing shareholders. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
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Sr. No.	Name	No. of Equity Shares
1.	Ankita Patel	1,10,000
2.	Baldevbhai Patel	3,77,400
3.	Jayeshkumar Patel	3,60,700
4.	Kalpesh Patel	3,10,000
5.	Piyushbhai Patel	15,500
6.	Rekhaben Patel	35,400
<b>Total</b>		<b>12,09,000</b>

**x. Right Issue of 4,70,000 Equity shares to existing shareholders. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1	Baldevbhai Patel	80,000
2	Jayeshkumar Patel	1,08,000
3	Sadhna Patel	80,000
4	Sureshkumar Dave	40,000
5	Smit Prajapati	12,000
6	Priyankaben Patel	10,000
7	Naileshkumar Patel	20,000
8	Ankurkumar Dalsania	10,000
9	Kanubhai Patel	10,000
10	Premal Shukla	80,000
11	Sanjay Dave	20,000
<b>Total</b>		<b>4,70,000</b>

**xi. Right Issue of 4,52,000 Equity shares to existing shareholders. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1	Baldevbhai Patel	1,00,000

Sr. No.	Name	No. of Equity Shares
2	Jayeshkumar Patel	82,000
3	Sadhna Patel	50,000
4	Namrata K Vyas	50,000
5	Archis S Patankar	50,000
6	Anuj Singh	50,000
7	Urmila Jain	50,000
8	Rakesh Patel	20,000
<b>Total</b>		<b>4,52,000</b>

**xii. Right Issue of 3,40,000 Equity shares to existing shareholders. List of allottees who were allotted equity shares is as follows:**

Sr. No.	Name	No. of Equity Shares
1	Baldevbhai Patel	1,20,000
2	Jayeshkumar Patel	80,000
3	Sadhna Patel	80,000
4	Kalpeshbhai Patel	60,000
<b>Total</b>		<b>3,40,000</b>

**xiii. Bonus Issue of 19,13,175 equity shares of face value of Rs. 10/- to existing shareholders in the ratio of 55 (Fifty-five) Equity shares for every 100(Hundred) held. List of allottees who were allotted equity shares is as follows:**

a) Date of Issue/ Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Name of Allottees	Benefits Accrued
October 18, 2022	19,13,175	10	Nil	Bonus Issue	<i>Refer to Note 1</i>	Capitalization of Reserves & Surplus.

*Note 1: Allotment of 1,375 equity shares to Alpeshbhai D Patel, 137 equity shares to Amrutlal S Patel, 61,600 equity shares to Ankita P. Patel, 5,500 equity shares to Ankurkumar Dalsania, 27,500 equity shares to Anju Singh, 137 equity shares to Arpit V Panddy, 27,500 equity shares to Archis S Patankar, 137 equity shares to Lakhaman Mohanbhai Tukadiya, 275 equity shares to Arvindbhai T Patel, 5,05,380 equity shares to Baldevbhai Patel, 550 equity shares to Bharatbhai K Patel, 137*

equity shares to Bharatkumar P Vora, 137 equity shares to Bunty Nizama\*, 137 equity shares to Chintan H Jani, 2,035 equity shares to Chirag V Intwala, 137 equity shares to Dhashrathbhai N Patel\*, 9,350 equity shares to Daxaben D Chauhan, 275 equity shares to Dhirubhai G Ganvit, 8,250 equity shares to Dikshaben Patel, 137 equity shares to Gauravbhai\*, 275 equity shares to Harshad Baldha, 138 equity shares to Indrajit R Padhiyar, 550 equity shares to Jashwantbhai K Patel, 138 equity shares to Jay Jain, 5,38,643 equity shares to Jayeshkumar Patel, 138 equity shares to Jyotindra V Patel, 2,06,869 equity shares to Kalpeshbhai Patel, 138 equity shares to Kamlesh M Patel, 138 equity shares to Kaniyalal B Patel, 5,500 equity shares to Kanubhai Patel, 2,750 equity shares to Kiransinh J. Rathod, 275 equity shares to Krunalkumar Bramhbhatt\*, 138 equity shares to Kiran Padhiyar, 550 equity shares to Lildhar Parmar, 138 equity shares to Mafatlal V Patel, 550 equity shares to Mahesh Bhai Thakkar, 275 equity shares to Mangro Ramji Hirji\*, 4,125 equity shares to Manubhai Patel, 138 equity shares to Mayank C Dalsania, 138 equity shares to Milan N Viramgama\*, 11,000 equity shares to Naileshkumar Patel, 27,500 equity shares to Namrata Kaushik Vyas, 550 equity shares to Nayanaben M Thakar, 138 equity shares to Pankaj Shikala\*, 11,000 equity shares to Piyushbhai B Patel, 138 equity shares to Prakashbhai Patel, 44,000 equity shares to Premal Shukla, 5,500 equity shares to Priyankaben Patel, 550 equity shares to Rahul Kumar M Patel, 275 equity shares to Rajendrakumar N Patel, 11,000 equity shares to Rakesh Patel, 137 equity shares to Ramanbhai Patel, 2,200 equity shares to Ravi R Patel, 2,365 equity shares to Ravindra M Patel, 27,445 equity shares to Rekhaben Baldevbhai Patel, 2,84,075 equity shares to Sadhana J Patel, 275 equity shares to Samir Patel, 11,000 equity shares to Sanjay Dave, 1,100 equity shares to Sanjay Bhai, 2,200 equity shares to Sardaben B Patel\*, 6,600 equity shares to Smit Prajapati, 550 equity shares to Suhel Patel, 22,000 equity shares to Sureshkumar Dave, 27,500 equity shares to Urmila Jain, 550 equity shares to Vijaykumar P Patel, 1,100 equity shares to Vishnubhai H Patel, 137 equity shares to Yogeshbhai S Valand in lieu of Bonus issue of equity shares.

\*The Equity shares allotted was inadvertently and erroneously mentioned the name as Pankaj Shikala, Milam N Viramgama, Dhashrathbhai N Patel, Gaurav Bhai, Sanjay Bhai, Mangro Ramji Hirji, Krunalkumar Bramhbhatt and Sardaben Patel in the Form 2 filed with RoC, instead of Pankaj Shukala, Milankumar N Viramgama, Dashrathbhai N Patel, Gauravbhai Kiritbhai Dholakhiya, Sanjay Ramanbhai Patel, Ramji Hirji Mungra, Kunalkumar A Brahmabhatt and Shardaben Patel. For further details, please refer to the chapter titled “**Risk Factor**” beginning on page no. 32 of this Draft Prospectus.

### 3. Issue of Equity Shares for Consideration other than Cash or out of revaluation reserves

- b) Our Company has not issued any equity shares out of revaluation of reserves since its incorporation.
- c) Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

d) Date of Issue/ Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Name of Allottees	Benefits Accrued
October 18, 2022	19,13,175	10	Nil	Bonus Issue	Refer to Note 1	Capitalization of Reserves & Surplus.

Note 1: Allotment of 1,375 equity shares to Alpeshbhai D Patel, 137 equity shares to Amrutlal S Patel, 61,600 equity shares to Ankita P. Patel, 5,500 equity shares to Ankurkumar Dalsania, 27,500 equity shares to Anju Singh, 137 equity shares to Arpit V Panddy, 27,500 equity shares to Archis S Patankar, 137 equity shares to Lakhaman Mohanbhai Tukadiya, 275 equity shares to Arvindbhai T Patel, 5,05,380 equity shares to Baldevbhai Patel, 550 equity shares to Bharatbhai K Patel, 137 equity shares to Bharatkumar P Vora, 137 equity shares to Bunty Nizama\*, 137 equity shares to Chintan H Jani, 2,035 equity shares to Chirag V Intwala, 137 equity shares to Dhashrathbhai N

Patel\*, 9,350 equity shares to Daxaben D Chauhan, 275 equity shares to Dhirubhai G Ganvit, 8,250 equity shares to Dikshaben Patel, 137 equity shares to Gauravbhai\*, 275 equity shares to Harshad Baldha, 138 equity shares to Indrajit R Padhiyar, 550 equity shares to Jashwantbhai K Patel, 138 equity shares to Jay Jain, 5,38,643 equity shares to Jayeshkumar Patel, 138 equity shares to Jyotindra V Patel, 2,06,869 equity shares to Kalpeshbhai Patel, 138 equity shares to Kamlesh M Patel, 138 equity shares to Kaniyalal B Patel, 5,500 equity shares to Kanubhai Patel, 2,750 equity shares to Kiransinh J. Rathod, 275 equity shares to Krunalkumar Bramhbhatt\*, 138 equity shares to Kiran Padhiyar, 550 equity shares to Liladhar Parmar, 138 equity shares to Mafatlal V Patel, 550 equity shares to Mahesh Bhai Thakkar, 275 equity shares to Mangro Ramji Hirji\*, 4,125 equity shares to Manubhai Patel, 138 equity shares to Mayank C Dalsania, 138 equity shares to Milan N Viramgama\*, 11,000 equity shares to Naileshkumar Patel, 27,500 equity shares to Namrata Kaushik Vyas, 550 equity shares to Nayanaben M Thakar, 138 equity shares to Pankaj Shikala\*, 11,000 equity shares to Piyushbhai B Patel, 138 equity shares to Prakashbhai Patel, 44,000 equity shares to Premal Shukla, 5,500 equity shares to Priyankaben Patel, 550 equity shares to Rahul Kumar M Patel, 275 equity shares to Rajendrakumar N Patel, 11,000 equity shares to Rakesh Patel, 137 equity shares to Ramanbhai Patel, 2,200 equity shares to Ravi R Patel, 2,365 equity shares to Ravindra M Patel, 27,445 equity shares to Rekhaben Baldevbhai Patel, 2,84,075 equity shares to Sadhana J Patel, 275 equity shares to Samir Patel, 11,000 equity shares to Sanjay Dave, 1,100 equity shares to Sanjay Bhai, 2,200 equity shares to Sardaben B Patel\*, 6,600 equity shares to Smit Prajapati, 550 equity shares to Suhel Patel, 22,000 equity shares to Sureshkumar Dave, 27,500 equity shares to Urmila Jain, 550 equity shares to Vijaykumar P Patel, 1,100 equity shares to Vishnubhai H Patel, 137 equity shares to Yogeshbhai S Valand in lieu of Bonus issue of equity shares.

\*The Equity shares allotted was inadvertently and erroneously mentioned the name as Pankaj Shikala, Milam N Viramgama, Dhashrathbhai N Patel, Gaurav Bhai, Sanjay Bhai, Bunt Nizama, Mangro Ramji Hirji, Krunalkumar Bramhbhatt and Sardaben Patel in the Form 2 filed with RoC, instead of Pankaj Shukala, Milankumar N Viramgama, Dashrathbhai N Patel, Gauravbhai Kiritbhai Dholakhiya, Sanjay Ramanbhai Patel, Buntibhai Naginbhai Nizama, Ramji Hirji Mungra, Kunalkumar A Brahmabhatt and Shardaben Patel. For further details, please refer to the chapter titled **“Risk Factor”** beginning on page no. 32 of this Draft Prospectus.

#### 4. Issue of specified securities at a price lower than the Issue Price in the last one year

Except as mentioned above our Company has not issued any Equity Shares at a price which is lower than the Issue Price during a period of one year preceding the date of this Draft Prospectus.

Date of Allotment	No. Of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reason of Allotment	Allottees	No. of Shares Allotted
February 12, 2022	8,06,000	10	10	Right Issue	Baldevbhai Patel	2,06,000
					Jayeshkumar Patel	3,00,000
					Sadhna Patel	3,00,000
March 9, 2022	12,09,000	10	10	Right Issue	Ankita Patel	1,10,000
					Baldevbhai Patel	3,77,400
					Jayeshkumar Patel	3,60,700
					Kalpesh Patel	3,10,000
					Piyushbhai Patel	15,500
					Rekhaben Patel	35,400

#### 5. Issue of equity shares pursuant to schemes of arrangement

Our Company has not issued or allotted any equity shares pursuant to schemes of arrangement approved under Sections 391 -394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the

Companies Act, 2013. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.

6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees as on the date of this Draft Prospectus.
7. As on the date of this Draft Prospectus, our Company does not have any Preference Share Capital.

**Shareholding Pattern of our Company and the Equity shares held by them is as follows:**

The table below represents the current Shareholding pattern of our Company as on the date of this Draft Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (II I)	No of fully paid-up equity shares held (IV)	No of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR, 1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI) = VII + X)	Number of Locked in shares (XII)		No. of shares Pledged or Otherwise Encumbered (XIII)		No. of Equity shares held in Demat Form (XIV)
								No of voting Right	Total as % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
<b>A</b>	Promoter and Promoter Group	12	46,62,477	--	--	46,62,477	86.48	46,62,477	86.48	--	86.48	--	--	--	--	46,51,177
<b>B</b>	Public	55	7,29,918	--	--	7,29,198	13.52	7,29,918	13.52	--	13.52	--	--	--	--	6,90,968
<b>C</b>	Non-Promoter	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

	Non-Public															
<b>C1</b>	Shares Underlying DRs	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>C2</b>	Shares held by Employee Trusts	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	<b>Total (A+B+C)</b>	<b>67</b>	<b>53, 91, 675</b>	--	--	<b>53, 91, 675</b>	<b>100.00</b>	<b>53, 91, 675</b>	<b>100.00</b>	--	<b>53,91,675</b>	--	--	--	--	<b>53, 41, 425</b>

\*As on the date of this Prospectus 1 Equity Share holds 1 vote

**Note:**

- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Shares on the Stock Exchange.
- Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of NSE EMERGE platform before commencement of trading of such equity shares.
- In terms of SEBI circular bearing no. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/CIR/ISD/05/2011 dated September 30, 2011 our Company has ensured that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to filing the Prospectus with the ROC.

8. The share holding pattern of our Promoter and Promoter Group before and after the Issue is set forth below:

Particulars	Pre-Issue		Post-Issue*	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
<b>Promoters (A)</b>				
Jayeshkumar Patel	15,17,993	28.15	[ ● ]	[ ● ]
Baldevbhai Patel	14,24,255	26.42	[ ● ]	[ ● ]
Sadhana Patel	8,00,575	14.85	[ ● ]	[ ● ]
Kalpesh Patel	5,82,994	10.81	[ ● ]	[ ● ]
Rekhaben Patel	77,345	1.43	[ ● ]	[ ● ]
Diksha Patel	23,250	0.43	[ ● ]	[ ● ]
<b>Total (A)</b>	<b>44,26,412</b>	<b>82.10</b>	[ ● ]	[ ● ]
<b>Promoter Group (B)</b>				
Ankita Patel	1,73,600	3.22	[ ● ]	[ ● ]
Piyushbhai Patel	31,000	0.57	[ ● ]	[ ● ]
Kanubhai Patel	15,500	0.29	[ ● ]	[ ● ]
Ravindra Patel	6,665	0.12	[ ● ]	[ ● ]
Sardaben Patel	6,200	0.11	[ ● ]	[ ● ]
Vishnubhai Patel	3,100	0.06	[ ● ]	[ ● ]
<b>Total (B)</b>	<b>2,36,065</b>	<b>4.38</b>	[ ● ]	[ ● ]
<b>Total (A+B)</b>	<b>46,62,477</b>	<b>86.48</b>	[ ● ]	[ ● ]

*\*Subject to Basis of Allotment*

9. Details regarding major shareholders:

- (a) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Draft Prospectus:

Particulars	Number of Shares	Percentage (%) holding
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Particulars	Number of Shares	Percentage (%) holding
Jayeshkumar Patel	15,17,993	28.15
Baldevbhai Patel	14,24,255	26.42
Sadhana Patel	8,00,575	14.85
Kalpesh Patel	5,82,994	10.81
Ankita Patel	1,73,600	3.22
Premalkumar Shukla	1,24,000	2.3
Namrata Kaushik Vyas	77,500	1.44
Archis S Patankar	77,500	1.44
Anuj Singh	77,500	1.44
Urmila Jain	77,500	1.44
Rekhaben Patel	77,345	1.43
Sureshkumar Dave	62,000	1.15
<b>Total</b>	<b>50,72,762</b>	<b>94.09</b>

**(b) List of shareholders holding 1% or more of the paid-up capital of our Company two (2) years prior to the date of this Draft Prospectus:**

Particulars	Number of Shares	Percentage (%) holding
Jayeshkumar Patel	14,500	7.2
Rekhaben Patel	14,500	7.2
Baldevbhai Patel	35,475	17.61
Bharatkumar G. Patel	5,000	2.48
Kiransinh J. Rathod	5,000	2.48
Pareshkumar Patel	10,000	4.96
Ankita Patel	7,000	3.47
Ravindra M Patel	4,300	2.13

Particulars	Number of Shares	Percentage (%) holding
Ravi R Patel	4,000	1.99
Mina Prajapati	2,500	1.24
Alpeshbhai D Patel	2500	1.24
Manubhai Patel	7,500	3.72
Chirag V Intwala	3,700	1.84
Dikshaben Patel	15,000	7.44
Sadhana J Patel	6,500	3.23
Dineshsinh Chauhan	7,900	3.92
Daxaben Chauhan	17,000	8.44
Kalpeshbhai Patel	6,125	3.04
Piyushbhai Patel	4,500	2.23
Sardaben Patel	4,000	1.99
Manjulaben B Patel	2,500	1.24
<b>Total</b>	<b>1,79,500</b>	<b>89.09</b>

(c) List of shareholders holding 1% or more of the paid-up capital of, our Company one (1) year prior to the date of this Draft Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Jayeshkumar Patel	14,500	7.2
Rekhaben Patel	14,500	7.2
Baldevbhai Patel	35,475	17.61
Bharatkumar G. Patel	5,000	2.48
Kiransinh J. Rathod	5,000	2.48
Pareshkumar Patel	10,000	4.96
Ankita Patel	7,000	3.47

Particulars	Number of Shares	Percentage (%) holding
Ravindra M Patel	4,300	2.13
Ravi R Patel	4,000	1.99
Mina Prajapati	2,500	1.24
Alpeshbhai D Patel	2500	1.24
Manubhai Patel	7,500	3.72
Chirag V Intwala	3,700	1.84
Dikshaben Patel	15,000	7.44
Sadhana J Patel	6,500	3.23
Dineshsinh Chauhan	7,900	3.92
Daxaben Chauhan	17,000	8.44
Kalpeshbhai Patel	6,125	3.04
Piyushbhai Patel	4,500	2.23
Sardaben Patel	4,000	1.99
Manjulaben B Patel	2,500	1.24
<b>Total</b>	<b>1,79,500</b>	<b>89.09</b>

**(d) List of shareholders holding 1% or more of the paid-up capital of our Company ten (10) days prior to the date of this Draft Prospectus:**

Particulars	Number of Shares	Percentage (%) holding
Jayeshkumar Patel	15,17,993	28.15
Baldevbhai Patel	14,24,255	26.42
Sadhana Patel	8,00,575	14.85
Kalpesh Patel	5,82,994	10.81
Ankita Patel	1,73,600	3.22
Premalkumar Shukla	1,24,000	2.3

Particulars	Number of Shares	Percentage (%) holding
Namrata Kaushik Vyas	77,500	1.44
Archis S Patankar	77,500	1.44
Anuj Singh	77,500	1.44
Urmila Jain	77,500	1.44
Rekhaben Patel	77,345	1.43
Sureshkumar Dave	62,000	1.15
<b>Total</b>	<b>50,72,762</b>	<b>94.09</b>

10. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Draft Prospectus.
11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis.
12. **Details of our Promoters' Shareholding**

As on the date of this Draft Prospectus, our Promoters Baldevbhai Patel, Jayeshkumar Patel, Kalpesh Patel Rekhaben Patel, Sadhana Patel and Diksha Patel holds 44,26,412 Equity Shares, constituting 82.10% of the pre- issued, subscribed and paid-up Equity Share capital of our Company.

***Build-up of our Promoters' shareholding in our Company***

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital*
<b>Name of promoter: Baldevbhai Patel</b>							
On Incorporation	10,000	10	10	Cash	Subscription to MOA	0.19	[ ● ]
March 26, 2014	20,000	10	10	Cash	Private Placement	0.37	[ ● ]

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital*
September 20, 2014	2,475	10	180	Cash	Private Placement	0.05	[ ● ]
December 17, 2014	3,000	10	180	Cash	Right Issue	0.06	[ ● ]
February 12, 2022	2,06,000	10	10	Cash	Right Issue	3.82	[ ● ]
March 9, 2022	3,77,400	10	10	Cash	Right Issue	7.00	[ ● ]
August 30, 2022	80,000	10	25	Cash	Right Issue	1.48	[ ● ]
September 29, 2022	1,00,000	10	25	Cash	Right Issue	1.85	[ ● ]
October 14, 2022	1,20,000	10	25	Cash	Right Issue	2.23	[ ● ]
October 18, 2022	5,05,380	10	Nil	Other than Cash	Bonus Issue	9.37	[ ● ]
<b>Total</b>	<b>14,24,255</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>26.42</b>	<b>[ ● ]</b>
<b>Name of promoter: Jayeshkumar Patel</b>							
On Incorporation	10,000	10	10	Cash	Subscription to MOA	0.19	[ ● ]
September 20, 2014	2,000	10	180	Cash	Private Placement	0.04	[ ● ]
December 17, 2014	2,500	10	180	Cash	Right Issue	0.05	[ ● ]
January 5, 2022	2,000	10	25	Cash	Acquisition pursuant to transfer of shares from	0.04	[ ● ]

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital*
					Pareshkumar Patel		
January 31, 2022	7,900	10	25	Cash	Acquisition pursuant to transfer of shares from Dinesh Singh Chouhan	0.15	[ ● ]
February 12, 2022	3,00,000	10	10	Cash	Right Issue	5.56	[ ● ]
March 9, 2022	3,60,700	10	10	Cash	Right Issue	6.69	[ ● ]
August 17, 2022	8,000	10	25	Cash	Acquisition pursuant to transfer of shares from Pareshkumar Patel	0.15	[ ● ]
August 18, 2022	5,000	10	25	Cash	Acquisition pursuant to transfer of shares from Bhartkumar Patel	0.09	[ ● ]
August 18, 2022	500	10	25	Cash	Acquisition pursuant to transfer of shares from Rajendra Prajapati	0.01	[ ● ]
August 24, 2022	2,500	10	25	Cash	Acquisition pursuant to transfer of shares from Mina Prajapati	0.05	[ ● ]
August 30,	1,08,000	10	25	Cash	Right Issue	2.00	[ ● ]

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital*
2022							
September 21, 2022	5,000	10	25	Cash	Acquisition pursuant to transfer of shares from Ankita Patel	0.09	[ ● ]
September 21, 2022	250	10	25	Cash	Acquisition pursuant to transfer of shares from Rahul Patel	Negligible	[ ● ]
September 21, 2022	250	10	25	Cash	Acquisition pursuant to transfer of shares from Bhavesh Kumar Patel	Negligible	[ ● ]
September 21, 2022	250	10	25	Cash	Acquisition pursuant to transfer of shares from Ratilal Patel	Negligible	[ ● ]
September 21, 2022	2,500	10	25	Cash	Acquisition pursuant to transfer of shares from Manjulaben Patel	0.05	[ ● ]
September 29, 2022	82,000	10	25	Cash	Right Issue	1.52	[ ● ]
October 14, 2022	80,000	10	25	Cash	Right Issue	1.48	[ ● ]
October 18, 2022	5,38,643	10	Nil	Other than Cash	Bonus Issue	9.99	[ ● ]
<b>Total</b>	<b>15,17,993</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>28.15</b>	<b>[ ● ]</b>
Name of promoter: Kalpesh Patel							
September 20,	4,125	10	180	Cash	Private Placement	0.08	

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital*
2014							
December 17, 2014	2,000	10	180	Cash	Right Issue	0.04	
March 9, 2022	3,10,000	10	10	Cash	Right Issue	5.75	
October 14, 2022	60,000	10	25	Cash	Right Issue	1.11	
October 18, 2022	2,06,869	10	Nil	Other than Cash	Bonus Issue	3.84	
<b>Total</b>	<b>5,82,994</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>10.81</b>	<b>[ ● ]</b>
<b>Name of promoter: Rekhaben Patel</b>							
On Incorporation	10,000	10	10	Cash	Subscription to MOA	0.19	
September 20, 2014	2,000	10	180	Cash	Private Placement	0.04	
December 17, 2014	2,500	10	180	Cash	Right Issue	0.05	
March 9, 2022	35,400	10	10	Cash	Right Issue	0.66	
October 18, 2022	27,445	10	Nil	Other than Cash	Bonus Issue	0.51	
<b>Total</b>	<b>77,345</b>	<b>10</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.43</b>	<b>[ ● ]</b>
<b>Name of promoter: Sadhana Patel</b>							
September 20, 2014	4,000	10	180	Cash	Private Placement	0.07	<b>[ ● ]</b>
December 17,	2,500	10	180	Cash	Right Issue	0.05	<b>[ ● ]</b>



Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital*
2014							
February 12, 2022	3,00,000	10	10	Cash	Right Issue	5.56	[ ● ]
August 30, 2022	80,000	10	25	Cash	Right Issue	1.48	[ ● ]
September 29, 2022	50,000	10	25	Cash	Right Issue	0.93	[ ● ]
October 14, 2022	80,000	10	25	Cash	Right Issue	1.48	[ ● ]
October 18, 2022	2,84,075	10	Nil	Other than Cash	Bonus Issue	5.27	[ ● ]
<b>Total</b>	<b>8,00,575</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>14.85</b>	<b>[ ● ]</b>
<b>Name of promoter: Diksha Patel</b>							
March 26, 2014	10,000	10	10	Cash	Private Placement	0.19	[ ● ]
September 20, 2014	3,000	10	180	Cash	Private Placement	0.06	[ ● ]
December 17, 2014	2,000	10	180	Cash	Right Issue	0.04	[ ● ]
October 18, 2022	8,250	10	Nil	Other than Cash	Bonus Issue	0.15	[ ● ]
<b>Total</b>	<b>23,250</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0.43</b>	<b>[ ● ]</b>

**\*Subject to finalization of Basis of Allotment**

**13.** All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

**14.** The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in Rs.) *
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Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in Rs.) *
Baldevbhai Patel	14,24,255	10.26
Jayeshkumar Patel	15,17,993	9.96
Kalpesh Patel	5,82,994	9.78
Rekhaben Patel	77,345	16.34
Sadhana Patel	8,00,575	11.77
Diksha Patel	23,250	43.01

\* As certified by M/s S D P M & Co., Chartered Accountants through their report dated December 13, 2022, UDIN: 22046482BFIUEE7849.

**15.** As on date of filing Draft Prospectus, we have 67 (Sixty-Seven) shareholders.

**16. Acquisition and sale/transfer of Equity Shares by our Promoters Group and director of the Company and their relative in last six (6) months**

Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoters Group and/or director of the Company and their relative during last 6 months preceding the date of filing of this Draft Prospectus.

Name	Category	Sale/Purchase/Transfer	Number of Equity shares	Issue Price in Rs	Date of transaction
Jayeshkumar Patel	Promoter	Acquisition pursuant to transfer of shares from Pareshkumar Patel	8000	25	August 17, 2022
		Acquisition pursuant to transfer of shares from Bharatkumar Patel	5000	25	August 18, 2022
		Acquisition pursuant to transfer of shares from Rajendra Prajapati	500	25	August 18, 2022
		Acquisition pursuant to transfer of shares from Mina Prajapati	2500	25	August 24, 2022
Baldevbhai Patel	Promoter	Purchase through Right Issue	80,000	25	August 30, 2022
Jayeshkumar Patel	Promoter		1,08,000		

Name	Category	Sale/Purchase/Transfer	Number of Equity shares	Issue Price in Rs	Date of transaction
Sadhna Patel	Promoter		80,000		
Kanubhai Patel	Promoter Group		10,000		
Jayeshkumar Patel	Promoter	Acquisition pursuant to transfer of shares from Ankita Patel	5000	25	September 21, 2022
		Acquisition pursuant to transfer of shares from Rahul Patel	250	25	
		Acquisition pursuant to transfer of shares from Bhavesh kumar Patel	250	25	
		Acquisition pursuant to transfer of shares from Ratilal Patel	250	25	
		Acquisition pursuant to transfer of shares from Manjulaben Patel	2,500	25	
Baldevbhai Patel	Promoter	Purchase through Right Issue	1,00,000	25	September 29, 2022
Jayeshkumar Patel	Promoter		82,000		
Sadhna Patel	Promoter		50,000		
Baldevbhai Patel	Promoter	Purchase through Right Issue	1,20,000	25	October 14, 2022
Jayeshkumar Patel	Promoter		80,000		
Sadhna Patel	Promoter		80,000		
Baldevbhai Patel	Promoter		60,000		
Baldevbhai Patel	Promoter	Received through Bonus Issue	5,05,380	Nil	October 18, 2022

Name	Category	Sale/Purchase/Transfer	Number of Equity shares	Issue Price in Rs	Date of transaction
Rekhaben Patel	Promoter		27,445		
Jayeshkumar Patel	Promoter		5,38,643		
Dikshaben Patel	Promoter		23250		
Sadhana Patel	Promoter		800575		
Kalpeshbhai Patel	Promoter		582994		
Ankita Patel	Promoter Group		61,600		
Ravindra Patel	Promoter Group		2,365		
Vishnubhai Patel	Promoter Group		1,100		
Piyushbhai Patel	Promoter Group		11,000		
Sardaben Patel	Promoter Group		2,200		
Kanubhai Patel	Promoter Group		5,500		

**17.** No financing arrangements have been entered by the members of the Promoter Group, the Directors or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Draft Prospectus.

**18. Details of Promoters' Contribution and Lock-in for Three Years**

Pursuant to the Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Draft Prospectus, our Promoters holds [●] Equity Shares constituting [●]% of the post Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters' Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by him as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution

from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and his lock-in details are as follows:

Date of Allotment/transfer/made fully paid up	Nature of acquisition	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue price per Equity Share (Rs.)	% Of Pre-Issue Equity Share Capital	% Of Post-Issue Equity Share Capital	Lock-in Period
<b>Baldevbhai Patel</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]	[●]	[●]
<b>Jayeshkumar Patel</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]	[●]	[●]
<b>Kalpesh Patel</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]	[●]	[●]
<b>Rekhaben Patel</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]	[●]	[●]
<b>Sadhana Patel</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]	[●]	[●]
<b>Diksha Patel</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]	[●]	[●]

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- (i) The Equity Shares acquired during the three years preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets, or bonus shares issued out of revaluations reserves or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoter's Contribution;
- (ii) The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue is not part of the minimum promoter's contribution;
- (iii) The Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.
- (iv) Specific written consent has been obtained from the Promoters for inclusion of [ ● ] Equity Shares for ensuring lock-in of three years to the extent of minimum [ ● ] % of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.
- (v) The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI (ICDR) Regulations. The Promoters' Contribution constituting [ ● ] Equity Shares which is [ ● ] % of the post issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.
- (vi) We further confirm that our Promoters' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

**19. Equity Shares locked-in for one year other than Minimum Promoters' Contribution.**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue [ ● ] Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

**20. Inscription or recording of non-transferability**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock- in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

**21. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of regulation 238, the loan has been granted to the company for the purpose of financing one or more of the objects of the issue and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

**22. Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as

applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
23. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
24. As on date of this Draft Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up.
25. Except as disclosed under the chapter titled "***Capital Structure***" beginning on page no. 73 of this Draft Prospectus, our Company has not undertaken any public issue of securities of any kind or class of securities.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. Our Company has not raised any bridge loans.
28. There are no Equity Shares against which depository receipts have been issued.
29. The Issue Price shall be determined by our Company and the Promoters, in consultation with the Lead Manager.
30. Our Promoters and the members of our Promoter Group will not participate in this Issue.
31. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
32. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares in our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
33. Our Company will ensure that any transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Prospectus and Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
34. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (determined as per the definition of 'associate Company' under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
35. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

36. For the details of transactions by our Company with our Promoter Group, Group Companies during the last financial years i.e. 2022, 2021 and 2020 for the six months period ended on September 30, 2022 please refer to paragraph titled details of Related Parties Transactions as restated in the chapter titled “***Restated Financial Statement***” beginning on page no. 190 of this Draft Prospectus.
37. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “***Our Management***” beginning on page no. 161 of this Draft Prospectus.



## SECTION - IV – PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue comprises a fresh issue of up to 19,50,000 Equity Shares by our Company aggregating up to Rs. [●] Lakhs (“Fresh Issue/ Issue”).

Our Company proposes to utilize the Net Proceeds from the Issue towards the following objects:

1. Funding our working capital requirements;
2. Purchase of plant and machinery for augmenting our Manufacturing Facility; and
3. General corporate purposes

(Collectively referred to as “**Objects**”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company in the Issue. The fund requirement and its deployment are based on estimates made by our management and such estimates have not been subjected to appraisal by any bank or financial institution.

### Net Proceeds

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

Particulars	Estimated Amount
Gross proceeds of the Fresh Issue <sup>#</sup>	[●]
Less: Issue related expenses	[●]

<sup>#</sup>To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the Stock Exchange

### REQUIREMENT OF FUNDS AND UTILIZATION OF NET PROCEEDS

Particulars	Amount (Rs. in Lakhs)*
Funding our working capital requirements	[●]
Purchase of plant and machinery for augmenting our Manufacturing Facility	216.42
General corporate purposes <sup>#</sup>	[●]
<b>Total</b>	[●]

<sup>#</sup> The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.

Given the dynamic nature of our business, we may have to revise our expenditure and fund requirement as a result of variations in cost estimates on account of variety of factors such as changes in our financial condition, business or strategy as well as external factors which may not be in our control and may entail

rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. In case of any surplus after utilization of the Net Proceeds for the stated objects, including any surplus unutilized issue related expenses, we may use such surplus towards general corporate purposes. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be done through internal accruals through cash flows from our operations and debt. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Issue, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

The above estimates are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see section titled **“Risk Factors”** beginning on page 32 of this Draft Prospectus.

#### **Schedule of implementation and Deployment of Net Proceeds**

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

*(Rs. in Lakhs)*

Particulars	Amount to be funded from Net Proceeds	Estimated utilisation of Net Proceeds
		FY 2023
Funding our working capital requirements	[●]	[●]
Purchase of plant and machinery for augmenting our Manufacturing Facility	216.42	216.42
General corporate purposes*	[●]	[●]
<b>Net Proceeds of the issue<sup>#</sup></b>	<b>[●]</b>	<b>[●]</b>

*\*To be finalised upon determination of Issue Price and updated in the Prospectus. The amount shall not exceed 25% of the Gross Proceeds.*

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the FY 2023. In the event that the estimated utilization of the Net Proceeds in FY 2023 is not completely met, the same shall be utilized, in part or full, in the next financial year or a subsequent period towards the Objects.

#### **Means of Finance**

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, as indicated above, are based on our current business plan and circumstances, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. These fund requirements have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its funding requirements and deployment on account of a variety of factors, including but not limited to our financial and market condition, business and strategy, competition, interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to applicable law.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking additional equity and/or debt arrangements from existing and future lenders or any combination of them. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for (i) general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations; or (ii) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws.

In the event the Net Proceeds are not completely utilised for the objects stated above by the end of Financial Year 2022-23, such amounts will be utilised (in part or full) in subsequent periods, as determined by our Company, in accordance with applicable law. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled ***“Risk Factors”*** beginning on page 322 of this Draft Prospectus.

Fund requirements for the Objects are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue or through existing identifiable internal accruals.

## **Details of objects of the Fresh Issue**

### ***1. Funding our working capital requirements***

The Company's business is working capital intensive and the Company avails majority of its working capital requirement in the ordinary course of its business from its internal accruals and through working capital facilities/loans from Banks. Our Company's working capital limits from banks and the outstanding amounts thereunder, for the financial year ended on March 31, 2022 and for the period year ended as on September 30, 2022, is Rs. 280.00 Lakhs and Rs. 255.00 Lakhs, respectively.

The working capital will be primarily used for expanding our current business operations. The funding of the working capital requirements of our Company is expected to lead to a consequent increase in our profitability.

***Basis of estimation of working capital requirement:***

The details of Company's working capital as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, and the source of funding, on the basis of audited standalone financial statements of our Company as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 are provided in the table below:

***(Rs.in Lakhs)***

<b>Sr. No.</b>	<b>Particulars</b>	<b>For the six months ended September 30, 2022</b>	<b>As at March 31, 2022 (Retated)</b>	<b>As at March 31, 2021 (Retated)</b>	<b>As at March 31, 2020 (Retated)</b>
<b>I</b>	<b>Current assets</b>				
	Inventories	262.63	183.60	108.31	79.65
	Trade receivables	55.24	41.15	91.30	57.28
	Cash and cash equivalents	19.47	18.23	38.57	7.87
	Short Term Loans & Advances	273.77	132.38	31.79	15.15
	Other Current Assets	9.17	13.68	9.85	2.25
	<b>Total Current Assets (A)</b>	<b>620.28</b>	<b>389.04</b>	<b>279.82</b>	<b>162.20</b>
<b>II</b>	<b>Current liabilities</b>				
	Trade payables	111.88	89.58	100.63	104.46
	Other Current Liabilities	25.29	35.85	55.96	30.03
	Short term provisions	27.86	17.83	2.11	2.54
	<b>Total current liabilities (B)</b>	<b>165.03</b>	<b>143.26</b>	<b>158.70</b>	<b>137.03</b>
	<b>Net working capital (A – B)</b>	<b>455.25</b>	<b>245.78</b>	<b>121.12</b>	<b>25.17</b>
<b>III</b>	<b>Sources of funds</b>				
	Borrowings from banks	255.00	245.78	9.44	0.00
	Long term borrowings	0.00	0.00	71.48	7.70

Sr. No.	Particulars	For the six months ended September 30, 2022	As at March 31, 2022 (Retated)	As at March 31, 2021 (Retated)	As at March 31, 2020 (Retated)
	Internal accruals / Equity	200.25	0.00	40.20	17.47
	<b>Total Means of Finance</b>	<b>455.25</b>	<b>245.78</b>	<b>121.12</b>	<b>25.17</b>

\*As certified by M/s S D P M & Co., Chartered Accountants through their report dated December 13, 2022

For further details, please refer to “**Restated Financial Statement**” on page 190.

### **Expected working capital requirements**

The estimates of the working capital requirements for the Financial Years ended March 31, 2023 has been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management’s action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated [●] has approved the projected working capital requirements for Financial Year 2023 with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below:

(Rs. In lakhs)

Sr. No.	Particulars	As at March 31, 2023 (Estimated)
<b>I</b>	<b>Current assets</b>	
	Inventories	[●]
	Trade receivables	[●]
	Cash and cash equivalents	[●]
	Short Term Loans & Advances	[●]
	Other Current Assets	[●]
	<b>Total Current Assets (A)</b>	[●]
<b>II</b>	<b>Current liabilities</b>	
	Trade payables	[●]
	Other Current Liabilities	[●]
	Short term provisions	[●]

Sr. No.	Particulars	As at March 31, 2023 (Estimated)
	<b>Total current liabilities (B)</b>	[●]
	<b>Net working capital (A – B)</b>	[●]
<b>III</b>	<b>Sources of funds</b>	
	Borrowings from banks	[●]
	Long term borrowings	[●]
	Internal accruals / Equity	[●]
	<b>Total Means of Finance</b>	[●]

**Assumptions for our estimated working capital requirement:**

*(in days)*

Particulars	Holding Levels (March 31, 2023)	Holding Levels (September 30, 2022)	Holding Levels (March 31, 2022)	Holding Levels (March 31, 2021)	Holding Levels (March 31, 2020)
	Estimated	Actual*	Actual*	Actual*	Actual*
Inventories	[●]	97	65	56	61
Trade receivables	[●]	20	15	47	44
Short Term Loans & Advances	[●]	101	47	16	12
Other Current Assets	[●]	3	5	5	2
		<b>229</b>	<b>138</b>	<b>145</b>	<b>124</b>
<b>Current Liabilities (excluding borrowings and income tax liabilities)</b>					
Trade payables	[●]	41	32	52	80

Particulars	Holding Levels (March 31, 2023)	Holding Levels (September 30, 2022)	Holding Levels (March 31, 2022)	Holding Levels (March 31, 2021)	Holding Levels (March 31, 2020)
	Estimated	Actual*	Actual*	Actual*	Actual*
Other Current Liabilities	[●]	9	13	29	23
Short term provisions	[●]	10	6	1	2
	[●]	61	51	82	105
<b>Working Capital Cycle</b>	[●]	<b>168</b>	<b>87</b>	<b>63</b>	<b>19</b>

*\*Certified by M/s S D P M & Co., Chartered Accountants, pursuant to their certificate dated December 13, 2022.*

## 2. Purchase of Machinery

On an ongoing basis, we continuously invest in the overall infrastructure development of our manufacturing facility. With the installation of these machines, we will be able to manufacture Reclaimed rubber from radial and tubeless tyre. We believe that with the installation of these machines we would be able to increase our profitability on account of better yield. We propose to utilize Rs. 216.42 Lakhs from the Net Proceeds towards purchase of plant and machinery for augmenting infrastructure development at our Manufacturing Facility.

The detailed break-up of the estimated cost towards such infrastructural development is set forth below:

Sr.No.	Particulars	Quantity	Name of supplier/vendor	Total Amount (Rs. in Lakhs) (1)	Date of quotation*
01.	Side wall Cutter Machine electric/geared motor, with rotary table	01	Anant Engineering works, Punjab	14.99	November 4, 2022
02.	Tyre Strip Cutter Machine	01	Anant Engineering works, Punjab	14.99	November 4, 2022
03.	Type Bead Wire Separator	01	Anant Engineering works, Punjab	14.99	November 4, 2022
04.	Block Cutter Machine	01	Anant	14.99	November

Sr.No.	Particulars	Quantity	Name of supplier/vendor	Total Amount (Rs. in Lakhs) (1)	Date of quotation*
			Engineering works, Punjab		4, 2022
05.	Anant Breaker Mill  Automation/Recirculation with steel separation with Breaker Mill  With Electric Motor & Control Panel  Material Re-feeding System & Magnetic Separator	01	Anant Engineering works, Punjab	62.99	November 4, 2022
06.	Anant Pre Refiner Mill	01	Anant Engineering works, Punjab	16.50	November 4, 2022
07.	Strainer	01	Anant Engineering works, Punjab	8.99	November 4, 2022
08.	Anant Refiner Mill	02	Anant Engineering works, Punjab	67.98	November 4, 2022
Total				<b>216.42</b>	

*1.Above mentioned prices excludes applicable taxes and other conditions mentioned in quotation.*

*\*Validity of quotation is 180 days from date of quotation.*

We have not placed orders for any of the plant and machinery mentioned above. The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Further, in relation to the purchase of the equipment as set out above, we have received quotations from vendor which is valid as on the date of this Draft Prospectus. However, we have not entered into any definitive agreements with the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased is based on management estimates. We do not intend to purchase any second-hand equipment in relation to this Object. For further details, please refer to the chapter titled **“Risk Factor”** beginning on page no. 32 of this Draft Prospectus.

### **3. General Corporate Expenses**

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds from the Issue in accordance with the



SEBI ICDR Regulations, including but not restricted towards part or full prepayment / repayment of our borrowings, strategic initiatives, acquisitions, investments in future subsidiaries of our Company, opening or setting up offices, business development initiatives, R&D, acquiring fixed assets, meeting any expense (including capital expenditure requirements) of our Company, including salaries and wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties, meeting expenses incurred in the ordinary course of business and towards any exigencies. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head “General Corporate Purposes” and the corporate requirements of our Company.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds.

### ***Issue Expense***

The expenses of this Issue include, among others, underwriting and Issue management fees, Intermediaries fees, printing and stationery expenses, advertisement expenses and legal fees etc. The details of Issue expenses are tabulated below:

**(Rs. In Lakhs)**

Activity	Estimated Expenses (Rs. in Lakhs)	As a % of total estimated issue related expenses	As a % of the total issue size
Lead Manager Fees including Underwriting Commission	[●]	[●]	[●]
Brokerage, Selling, Commission and upload fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing Expenses	[●]	[●]	[●]
Regulators including Stock Exchange	[●]	[●]	[●]
Printing and Distribution of issue stationery	[●]	[●]	[●]
Others, if any (to be specified)	[●]	[●]	[●]
<b>Total estimated issue related expenses</b>	[●]	[●]	[●]

**Notes:**

1. As on date of this Draft Prospectus, the fund deployed out of internal accruals as on December 13, 2022 is Rs. 3,50,500 Lakhs towards issue expenses excluding applicable taxes vide certificate dated December 13, 2022 received from M/s S D P M & Co., Chartered Accountants and the same will be recouped out of issue expenses.
2. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Issue is made as per Phase I of UPI Circular)	Rs. [●] per application on wherein shares are allotted
Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)	Rs. [●] per application on wherein shares are allotted
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	Rs. [●] per application on wherein shares are allotted
Sponsor Bank shall be payable processing fees on UPI application processed by them	Rs. [●] per application on wherein shares are allotted

3. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
4. The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
5. Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

**Interim use of Net Proceeds**

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed Company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies. Further, our Company confirms that the borrowings proposed to be repaid from the Net Proceeds have not been utilised towards any payments, repayment / refinancing of any loans availed from the Promoter Group or Group Companies.

**Bridge Financing Facilities**

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

**Appraisal Report**

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

**Monitoring Utilization of Funds**

Our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

**Variation in Objects**

Our Company shall not vary the objects of the Issue, as envisaged under Sections 13(8) and 27 of the Companies Act and applicable rules, without our Company being authorised to do so by the Shareholders by way of a special resolution and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act.

**Other Confirmation**

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoters, members of the Promoter Group, Directors, or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement / agreements with Promoters, members of the Promoter Group, Directors or Key Management Personnel in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

## BASIS FOR ISSUE PRICE

The Issue Price of Rs. [•]/- per Equity Share is determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs.10.00/- per Equity Share and Issue Price is Rs. [•]/- per Equity Share. The Issue Price is [•] times the face value.

Investors should refer Chapters / Chapter titled **“Risk Factors”**, **“Restated Financial Statements”**, **“Management Discussion and Analysis of Financial Condition and Results of Operations”** and **“Business Overview”** beginning on page 322, 190, 226 and 138 respectively of this Draft Prospectus to get an informed view before making an investment decision.

### Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

1. In-house manufacturing facility supported by technology driven process
2. Our long-standing relationships and diversified with our customers;
3. Stringent quality control mechanism ensuring standardized product quality;
4. Strong and diversified supplier base for sourcing raw material; and
5. Experienced Promoter supported by dedicated team
6. Consistent financial performance with focus on growth of our Company.

For further details, please see the paragraph titled **“Our Competitive Strengths”** in the Chapter titled **“Business Overview”** beginning on page 138 of this Draft Prospectus.

### Quantitative Factors

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

#### 1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Basic and Diluted EPS	Weights
March 31, 2020	11.64	1
March 31, 2021	7.28	2
March 31, 2022	3.00	3
<b>Weightage Average EPS</b>	<b>5.88</b>	
September 30, 2022	0.88	

#### Note:

- i. The face value of each Equity Share is Rs. 10.
- ii. Basic Earnings per share = Profit for the period / Weighted average number of equities shares outstanding during the period/year.
- iii. Diluted Earnings per share = Profit for the period / Weighted average number of potential equities shares outstanding during the period/year.

- iv. Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.  $\{(\text{EPS} \times \text{Weight}) \text{ for each year} \} / \{ \text{Total of weights} \}$
- v. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year
- vi. On October 18, 2022 our Company issued 19,13,175 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the periods reported.
- vii. The figures disclosed above are based on the Restated Financial Statement of our Company.

**2) Price to Earnings (P/E) ratio in relation to Issue Price Rs. [•]/- per Equity Share of Rs.10.00/- each fully paid up**

Particulars	P/E ratio
P/E ratio based on Basic and diluted EPS for financial year ended March 31, 2022 (Pre-Bonus)	[•]
P/E ratio based on Basic and diluted EPS for financial year ended March 31, 2022 (Post-Bonus)	[•]
<b>Industry Peer Group P/E ratio</b>	
Highest	45.39
Lowest	45.39
Average	45.39

*Note-The highest and lowest industry P/E has been considered from the industry peer set provided later in this chapter. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this chapter. For further details, please refer to the chapter titled “Restated Financial Statements” beginning on page no. 190 of this Draft Prospectus.*

**Return on Net worth (RoNW)**

Return on Net Worth (RoNW) as per restated financial statements:

Year Ended	RONW (%)	Weight
March 31, 2020	208.20%	1
March 31, 2021	56.56 %	2
March 31, 2022	16.53 %	3
<b>Weighted Average</b>	<b>61.82%</b>	

Year Ended	RONW (%)	Weight
September 30, 2022	6.40%	

Note:

1. The figures disclosed above are based on the Restated Financial Statement of our Company. Return on Net worth has been calculated as per the following formula:

- 1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- 2) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- 3) Net worth is aggregate value of the paid-up share capital of the Company and other equity, excluding revaluation reserves if any, as per Restated Financial Information.

### 3) Net Asset Value (NAV)

Particulars	Rs. per share
Net Asset Value per Equity Share as of March 31, 2020	8.67
Net Asset Value per Equity Share as of March 31, 2021	19.95
Net Asset Value per Equity Share as of March 31, 2022	13.06
Net Asset Value per Equity Share after Issue	[-]
Issue Price	[-]

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

- i. 
$$NAV = \frac{\text{Net worth excluding revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year/period}}$$
- ii. The figures disclosed above are based on the Restated Financial Statement of our Company
- iii. On **October 18, 2022** our Company issued 19,13,175 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the Outstanding Number of Equity Shares for NAV above, these bonus shares have been considered in all the periods reported.

### 4) Comparison with Listed industry peers

Companies	EPS (Basic) (Rs.)	EPS (Diluted) (Rs.)	PE Ratio	RONW (%)	NAV	Face Value	Total Income (Rs. in Lakhs)
Lead Reclaim and Rubber Products Limited	3.00	3.00	[-]	16.53%	13.06	10.00	1036.93

Companies	EPS (Basic) (Rs.)	EPS (Diluted) (Rs.)	PE Ratio	RONW (%)	NAV	Face Value	Total Income (Rs. in Lakhs)
<b>Listed Peers</b>							
GRP Limited	43.39	43.39	45.39	4.13%	1051.80	10.00	38,927.00

*Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results as available of the respective company for the year ended March 31, 2022 submitted to stock exchanges or on company's website as available.*

**Notes:**

- Basic EPS refers to the Basic EPS sourced from the annual report/ financial results of the respective company for the year ended March 31, 2022*
- Diluted EPS refers to the Diluted EPS sourced from the annual report/ financial results of the respective company for the year ended March 31, 2022*
- P/E Ratio has been computed based on the closing market price of equity shares on NSE on December 09, 2022.*
- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year/period end. March 31, 2022*
- Net worth has been computed as sum of share capital, reserves and surplus (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company*
- Net Asset Value is computed as the closing net worth divided by the equity shares outstanding as at March 31, 2022*

**1. The Issue price is [•] times of the face value of the Equity Shares**

The Issue Price of Rs. [•] per equity share has been determined by the Company in consultation with the lead manager on the basis of an assessment of market demand for the equity shares through the fixed price issue process and on the basis of qualitative and quantitative factors.

Prospective investors should read the above-mentioned information along with **“Risk Factors”**, **“Business Overview”**, **“Management’s Discussion and Analysis of Financial Position and Results of Operations”** and **“Restated Financial Statements”** beginning on pages 322, 138, 226 and 190, respectively, to have a more informed view. The trading price of the equity shares could decline due to the factors mentioned in the **“Risk Factors”** and you may lose all or part of your investments.

## STATEMENT OF TAX BENEFITS

To,

The Board of Directors

Lead Reclaim and Rubber Products Limited

A/8, Sunvilla Complex, Near Chines Hut Hotel,

Dahej By Pass Road,

Bharuch – 392001

Dear Sir,

**Subject: Statement of possible special tax benefits (“the Statement”) available to Lead Reclaim and Rubber Products Limited (“the Company”) and its Shareholders prepared in accordance with the requirements of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”).**

We report that the enclosed statement in the Annexure I & II (together “the Annexures”), states the possible special tax benefits under direct and indirect tax laws presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexures are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement. Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/would be met.
- the revenue authorities will concur with the views expressed herein.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

We hereby give consent to include this statement of special tax benefits in this draft prospectus and the prospectus and in any other material used in connection with the Issue (together, the “Issue Documents”).



This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Offer Documents, and for the submission of this certificate as may be necessary, to any regulatory / statutory/ judicial authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any Defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Issue Documents.

This certificate may be relied on by the Lead Manager, their affiliates and legal counsel in relation to the Issue.

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

The enclosed annexure is intended for your information and for inclusion in this Draft Prospectus and the Prospectus or any other issue related material in connection with the proposed Fresh Issue of Equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**Date:** November 05, 2022

**Place:** Ahmedabad

**For S D P M & Co.**

**Chartered Accountants**

**FRN:** 126741W

**Malay Pandit**

**Partner**

**Membership No.** 046482

**UDIN:** 22046482BCFDVA6235

## **ANNEXURE I TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (the “Act”) as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

### **A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME-TAX ACT, 1961 (THE “ACT”)**

The company has availed the benefit of new tax slab range under the section 115BAA of the income tax act. The basic feature of this new tax regime is lower tax rates as compared to existing slab rates but on the other hand the assessee has to forego deductions presently available to the companies. The company is not entitled to any special tax benefits under the Act.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961 (THE “ACT”)**

The Shareholders of the Company are entitled to special tax benefits under the Act. The shareholders can avail the deduction under chapter VI-A of the income tax act (i.e under 80G,80C,80D,80TTA, etc.)

The deduction under 80G can be availed by the assessee who pays any sum as donation to eligible funds or institutions, is entitled to a deduction, subject to certain limitations from the gross total income.

The deduction under 80C can be availed if the assessee had made investment in PPF, EPF, LIC premium, Equity linked saving scheme, principal amount payment towards home loan, stamp duty and registration charges for purchase of property, Sukanya smridhi yojana (SSY), National saving certificate (NSC), Senior citizen savings scheme (SCSS), ULIP etc. during the financial year.

The deduction under 80D can be availed by the assessee (Individual or HUF) a claim a deduction of Rs. 25,000 on insurance for self, spouse and dependent children. An additional deduction for insurance of parents is available up to Rs 25,000, if they are less than 60 years of age.

The shareholders have also availed the benefit of new tax slab range under the section 115BAC of the income tax act. The basic feature of this new tax regime is lower tax rates as compared to existing slab rates but on the other hand the assessee has to forego around 70 exemptions and deductions presently available.

The tax rates under the New Tax Regime as per the section 115BAC are as under: -

<b>TOTAL INCOME</b>	<b>INCOME TAX</b>
UPTO RS.250000	NIL
FROM RS.250001-RS.500000	5%
FROM RS.500001-RS.750000	10%
FROM RS.750001-RS.1000000	15%
FROM RS.1000001-RS.1250000	20%
FROM RS.1250001-RS.1500000	25%
ABOVE RS.1500001	30%

The shareholders can also avail special tax benefit scheme under the income tax act like Rebate on Agriculture income. The complete rebate on agriculture income is possible if:

- 1) Total agriculture income is < Rs.5000.00
- 2) The income from agriculture land is the only source of your income.
- 3) Assessee has both agriculture and other income. But the total income (excluding the agriculture income is less than basic exemption limit)

Further, the shareholders can also avail Rebate under 87A of the income tax act as a special tax benefit scheme. The deduction can be availed up to Rs. 12,500.00 if the Total net Income of the assessee is up to Rs.5,00,000.00

**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 No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

**Date:** November 05, 2022

**Place:** Ahmedabad

**For S D P M & Co.**

**Chartered Accountants**

**FRN:** 126741W

**Malay Pandit**

**Partner**

**Membership No.** 046482

**UDIN:** 22046482BCFDVA6235

## **ANNEXURE II 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 GST 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 fact that 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 GST Act.

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

The Shareholders of the Company are not entitled to any special tax benefits under the GST 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 indirect tax law benefits and does not cover any direct 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 Prospectus/Prospectus.

**Date:** November 05, 2022

**Place:** Ahmedabad

**For S D P M & Co.**

**Chartered Accountants**

**FRN:** 126741W

**Malay Pandit**

**Partner**

**Membership No.** 046482

**UDIN:** 22046482BCFDVA6235

## SECTION V: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*Industry publications are prepared based on information as at specific dates and may no longer be current or reflect current trends. The information in this section is also derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation.*

*Accordingly, investment decisions should not be based on such information. For additional details, including the disclaimers associated with the Industry Report, see “**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data**” beginning on page 22 of this Draft Prospectus.*

### INTRODUCTION

The Indian Rubber Industry is broadly divided into Tyre and Non-Tyre Sectors. India is the 5th largest producer of natural rubber, 2nd largest consumer of natural rubber, 5th largest consumer of natural rubber and synthetic rubber together in the world. India is also the world’s largest manufacturer of reclaimed rubber. The turnover of Rubber Industry is estimated to be approx Rs. 85000 Cr which comprise of Rs. 55000 crores from Tyre Industry and 30,000 crores (Non-Tyre including latex industry) during 2021-22. There are around 500 latex Industries involved majorly to manufacture latex rubber goods using the latex obtained from the natural Rubber Trees.

### INDIAN RUBBER GOODS INDUSTRY

The Rubber Goods Industry excluding tyres and tubes consists of 4550 small and tiny units generating about 5.50 lakh direct jobs. The rubber industry manufactures a wide range of products like rubber coats and aprons, contraceptives, footwear, rubber hoses, cables, camelback, battery boxes, latex products, conveyor belts, surgical gloves, balloons, rubber moulded goods etc. The main raw materials used by the rubber goods manufacturing industry are Natural Rubber, various types of Synthetic Rubber, Carbon Black, Rubber Chemicals etc. The estimated export of rubber goods during 2021-22 is Rs. 12407 crores as against Rs. 9388 crores in 2020-21. The estimated of import of rubber goods during 2021-22 is Rs. 21382 crores as against 15549 cores in 2020-21.

The performance of rubber goods industry hardly needs any emphasis. From healthcare to footwear, high performance tyres to conveyer belts are indispensable for country’s infrastructure.

### TYRES AND TUBES INDUSTRY

Domestic Tyre Industry fulfils practically 100% requirement of tyres making it a true champion of ‘AatmaNirbhar Bharat’. Nearly 25% of the total domestic tyre production was exported in FY21. Some of the domestic tyre companies are already amongst the top 30 global tyre companies. Tyres play an integral role to ensure mobility including movement of passengers and essential goods across the urban and rural landscape of the country using all types vehicles ranging from carts, tractors, trucks and buses to the latest generation passenger cars that ply on the modern expressways. Various types of tyres are manufactured in India that includes Moped tyre weighing 1.5 Kg to Off the Road tyres for Earthmovers which weigh 1.5 tonnes, Bias Ply tyres to rugged all steel radial truck tyres to high performance passenger car radial and tubeless tyres etc. India is one of the few countries worldwide which has attained self-sufficiency in manufacturing a wide range of tyres for all applications.

In the developed markets Indian tyre exports compete with tyres being exported from over a dozen countries on the basis of quality, technology, price, service etc.. Indian tyres in the Bias Truck & Bus tyre and Agri segment are considered at par with the best in the world and are, in fact, the preferred choice in many markets.

### **Salient Features of Tyre Industry:**

Indian Tyre Industry has an annual turnover of approximately Rs 60,000 crores (FY20-21) and exports of more than Rs. 14,100 crores (approx. 25% of turnover).

- (i) Indian Tyre industry consists of 41 Companies with 62 tyre plants.
- (ii) The estimated production of Tyres & Tubes for the year 2021-22 is 268176 (th. no. approx). Four Indian Companies (MRF Ltd., Apollo Tyres, CEAT and JK Tyres) are in the list of top 35 Global Tyre Companies.
- (iii) Large tyre companies account for approx. 95% of Industry turnover in value and tonnage
- (iv) Estimated turnover of Indian Tyre Industry was Rs. 60,000 crores (approx) during 2020-21 and is projected at Rs. 63,000 crores (approx) for the year 2021-22.

Indian Tyre Industry has the capacity and capability to scale up tyre exports from India to level of over 20,000 crores over the next 3-4 years, with the necessary support from the Government, by way of specific inclusion of automotive tyre sector in the PLI scheme being rolled out for the automotive sector.

### **Export of Tyres and Tubes**

Indian Tyre Industry is one of the consistent and leading exporters, supplying tyres to more than 100 markets worldwide. Top 5 export markets for Indian manufactured tyres in FY21 were US, German, France, Italy & UK. Tyres exports went up in double digits in each of the top 5 exports markets. Indian Tyre Industry has made significant investments exceeding Rs. 50,000 crores in recent years by way of greenfield projects and brownfield expansions.

During 2010-21 tyres/tubes worth Rs. 14548 crores were exported. The estimated value of exports of tyres & tubes for the year 2021-22 is Rs. 20709 crores.

### **Import of Tyres & Tubes:**

Tyres are imported @ Custom Duty of 10% (except for Truck & Bus Radial (TBR) tyres and Passenger Car Radial (PCR) Tyres, which are imported at a Customs Duty of 15%).

Tyres are also imported at concessional custom duty under various agreements such as Asia Pacific Trade Agreement (12.9% for TBR and PCR Tyres, 8.6% for other Tyres), ASEAN FTA (5%), India-Malaysia Trade Agreement (5%), India-Srilanka (Nil), India- Singapore (Nil for Bias Tyre). During 2020-21, import of tyre & tube was worth Rs. 1357 crore. The estimated import value of Tyres & Tubes for the year 2021- 22 is at Rs. 1851 crore.

The Government brought changes in import policy for new pneumatic tyres by bringing it into restricted category from free import, under notification No 12/2015-2020 dated 12th June ,2020.

### **Quality Control Order on Pneumatic Tyres and Tubes for Automotive Vehicle:**

A Quality (Control) Order for Pneumatic Tyres and Tubes for Automotive vehicles was notified by this Department on 19th November, 2009 in exercise of the power conferred vide Section 14 of the BIS Act, 1986. The Order prohibits import, sale or distribution of pneumatic tyres and tubes which do not conform to the specified Bureau of Indian Standards (BIS) standard and which do not bear the standard mark. This means the manufactures are required to obtain licenses from BIS for use of standard mark to enable them to sell or distribute pneumatic tyres and tubes conforming to the specified standard. The Quality Control Order, 2009 has come into force w.e.f. 13th May, 2011. In terms of the Clause 3(1) (f) of the said Quality Control Order, a Committee has been constituted under the Chairmanship of Additional Director General of Foreign Trade to finalize the list of tyres which are not manufactured domestically and to be imported by Original Equipment Manufacturers (OEMs).

Periodic Review and finalization of list of tyres sizes (not manufactured domestically) as per QCO is done and updated list is uploaded in DIPP's website. The Committee last reviewed and finalized a list of

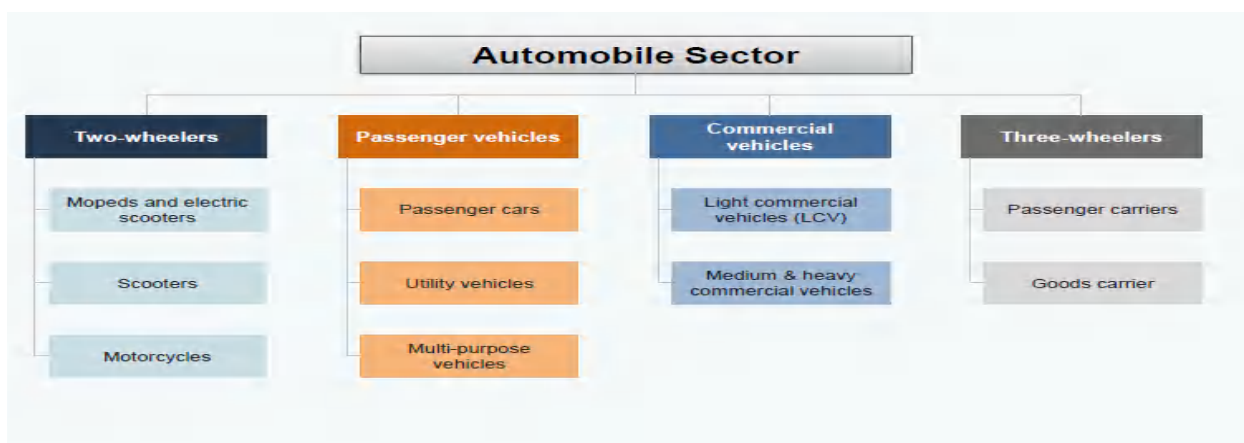
667 sizes of tyres (not manufactured domestically) in June, 2019 which can be imported by OE Revised list has been uploaded on the DPIIT's website.

A Quality (Control) Order for Rubber Hose for Liquefied Petroleum Gas (LPG) Order 2020 was notified by this Department on 28th January 2020 in exercise of the power conferred vide Section 23 of the BIS Act, 2016 (11 of 2016). The Order prohibits import, sale or distribution of rubber hose which do not conform to the specified Bureau of Indian Standards (BIS) standard and which do not bear the standard mark.

(Source : Annual Report 2021-22, issued by Ministry of Commerce and Industry Department for Promotion of Industry & Internal Trade)

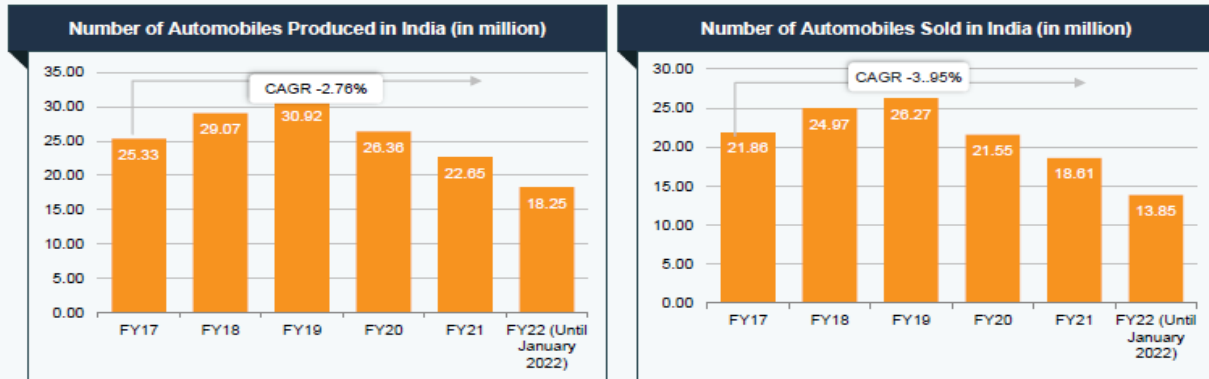
## MARKET OVERVIEW

- For the calendar year (CY) 2021, all segments showed growth, and total sales increased by 5.8% to 18.49 million units, compared to 17.47 million units in January-December 2020.
- In CY21, passenger vehicles sales increased by 26.6% to 3.08 million units, up from 2.43 million units in CY20. The total number of commercial cars sold was 677,119, up 34% from 505,102 in the previous year.
- In FY21, the total passenger vehicles production reached 22.65 million vehicles.
- Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 81.21% and 14.56% market share, respectively, accounting for a combined sale of over 17.8 million vehicles in FY21.



- In January 2022, total production of passenger vehicles, three-wheelers, two-wheelers and quadricycles reached 1,860,809 units.
- In December 2021, the luxury car market registered sales of 2,259 units, a YoY growth of 19.7%, with Mercedes Benz being the highest-selling luxury car manufacturer.
- Passenger vehicle sales stood at 761,124 units for Q3 FY22.
- Automobile exports reached 4.13 million vehicles in FY21, growing at a CAGR of 3.47% during FY16-FY21. Two wheelers (79.38%), passenger vehicles (9.79%) and three wheelers (9.52%) made up the majority of exports from India.

- 3680 premium motorcycles were sold in India in the year 2021. This was a 21% increase over the 2020 numbers.
- In Q3 FY22, electric vehicle (EV) sales reached a new high of 5,592 units. Overall, in 2021, 329,190 EVs were sold in India, indicating a 168% YoY growth over last year's sales of 122,607 units.
- According to NITI Aayog and Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) by 2030. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for the EV battery market is expected to expand at a CAGR of 30% during the same period.

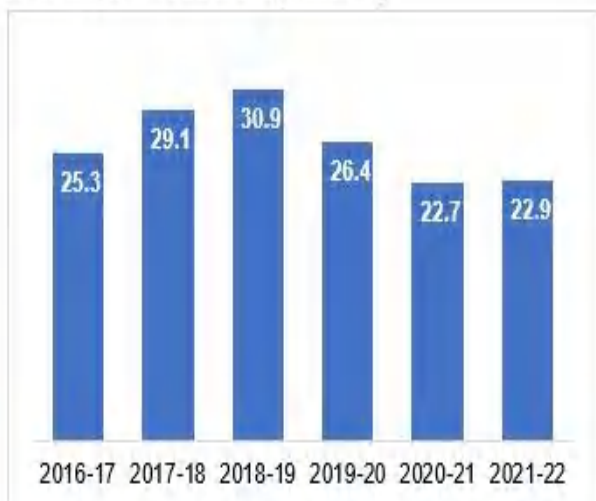
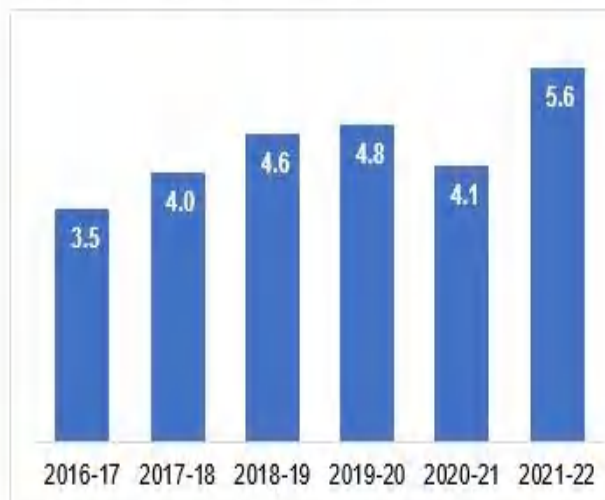


## INDIA'S AUTOMOBILE INDUSTRY

India is the fifth largest vehicle market and largest manufacturer of three-wheeler and two-wheeler vehicles in the world. India's automobile industry currently manufactures 22.9 million vehicles annually, of which 5.6 million vehicles are exported. The sector manufactures vehicles in the passenger car, commercial vehicle, two-wheeler and three-wheeler segments. In terms of unit sales, two-wheeler vehicles account for the largest share, followed by passenger cars. Small and mid-sized vehicles form a major portion of passenger car sales.

India's annual production of automobiles in FY21 was 22.65 million vehicles, and 13 million vehicles were produced between April-October 2021. The two wheelers segment dominates the market in terms of volume owing to a growing middle class, and a huge percentage of India's population being young. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector. India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India and major automobile players in the Indian market is expected to make India one of the leaders in the two-wheeler and four-wheeler market in the world by 2022.



**Automobile Production (in million)****Automobile Exports (in million)**

*Source: Society of Indian Automobile Manufacturers*

*(Source : [www.ibef.org](http://www.ibef.org) )*

## ECONOMIC OVERVIEW

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. This chapter explains how this flexible and multi-layered approach is partly based on an "Agile" framework that uses feedback-loops, and the monitoring of real-time data.

Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the "second wave" in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe.

Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22 after contracting by 7 per cent in 2020-21. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact. This sector is estimated to grow by 8.2 per cent this financial year following last year's 8.4 per cent contraction.

Total Consumption is estimated to have grown by 7.0 per cent in 2021-22 with significant contributions from government spending. Similarly, Gross Fixed Capital Formation exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. Exports of both goods and services have been exceptionally strong so far in 2021-22, but imports also recovered strongly with recovery in domestic demand as well as higher international commodity prices.

With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23.

Nonetheless, the global environment still remains uncertain. At the time of writing, a new wave in the form of the Omicron variant was sweeping across the world, inflation had jumped up in most countries, and the cycle of liquidity withdrawal was being initiated by major central banks. This is why it is especially important to look at India's macroeconomic stability indicators and their ability to provide a buffer against the above stresses.

Despite all the disruptions caused by the global pandemic, India's balance of payments remained in surplus throughout the last two years. This allowed the Reserve Bank of India to keep accumulating foreign exchange reserves (they stood at US\$ 634 billion on 31st December 2021). This is equivalent to 13.2 months of merchandise imports and is higher than the country's external debt. The combination of high foreign exchange reserves, sustained foreign direct investment, and rising export earnings will provide an adequate buffer against possible global liquidity tapering in 2022-23.

The fiscal support given to the economy as well as to the health response caused the fiscal deficit and government debt to rise in 2020-21. However, a strong rebound in government revenues in 2021-22 has meant that the Government will comfortably meet its targets for the year while maintaining the support, and ramping up capital expenditure. The strong revival in revenues (revenue receipts were up over 67 per cent YoY in April-November 2021) means that the Government has fiscal space to provide additional support if necessary.

The financial system is always a possible area of stress during turbulent times. However, India's capital markets, like many global markets, have done exceptionally well and have allowed record mobilization of risk capital for Indian companies. More significantly, the banking system is well capitalized and the overhang of Non-Performing Assets seem to have structurally declined even allowing for some lagged impact of the pandemic.

Vaccination is not merely a health response but is critical for opening up the economy, particularly contact-intensive services. Therefore, it should be treated for now as a macro-economic indicator. Over the course of a year, India delivered 157 crore doses that covered 91 crore people with at least one dose and 66 crores with both doses. The vaccination process for boosters and for the 15–18-year age group was also gathering pace at the time of writing.

Inflation has reappeared as a global issue in both advanced and emerging economies. India's Consumer Price Index inflation stood at 5.6 per cent YoY in December 2021 which is within the targeted tolerance band. Wholesale price inflation, however, has been running in double-digits. Although this is partly due to base effects that will even out, India does need to be wary of imported inflation, especially from elevated global energy prices.

Overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of 2022-23. One of the reasons that the Indian economy is in a good position is its unique response strategy. Rather than pre-commit to a rigid response, Government of India opted to use safety-nets for vulnerable sections on one hand while responding iteratively based on Bayesian-updating of information. This "barbell strategy" was discussed in last year's Economic Survey. A key enabler of this flexible, iterative "Agile" approach is the use of eighty High Frequency Indicators (HFIs) in an environment of extreme uncertainty.

Another distinguishing feature of India's response has been an emphasis on supply-side reforms rather than a total reliance on demand management. These supply-side reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like 'retrospective tax', privatisation, production-linked incentives and so on. These have been discussed in detail in the respective chapters. Even the sharp increase in capital spending by the Government can be seen both as

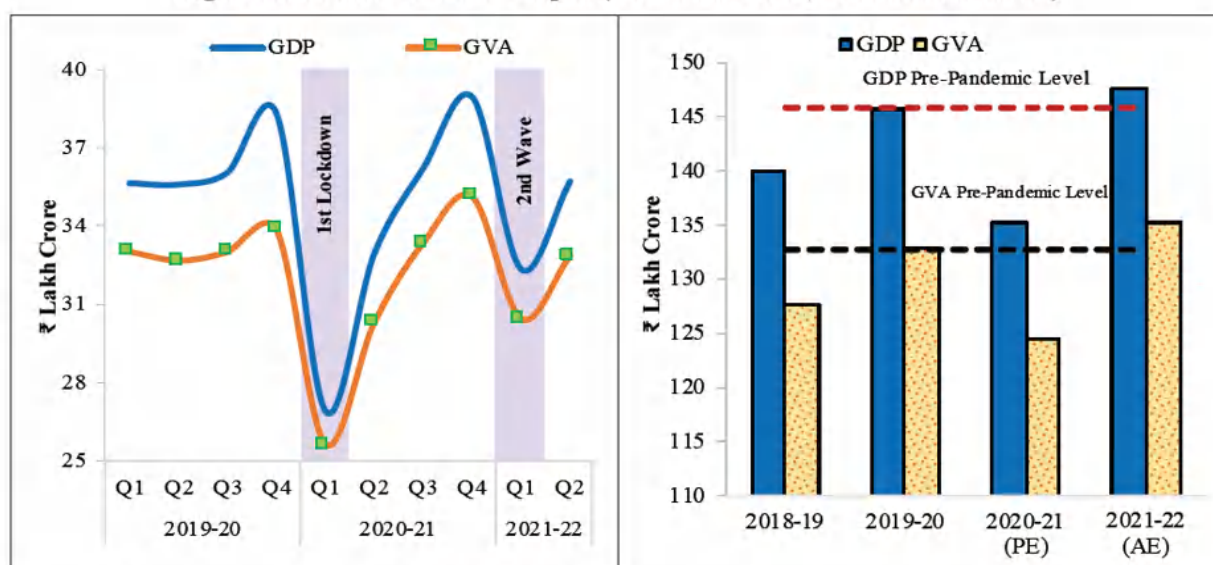
demand and supply enhancing response as it creates infrastructure capacity for future growth. This year's Survey particularly highlights the importance of process reforms in a number of sectors while Chapter 11 provides a brief demonstration of the use of satellite images and geo-spatial data, both recently deregulated sectors, for gauging economic development.

Two years into the COVID-19 pandemic, the global economy continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply-chain disruptions, and a return of inflation in both advanced and emerging economies. Moreover, the likely withdrawal of liquidity by major central banks over the next year may also make global capital flows more volatile. In this context, it is important to evaluate both the pace of growth revival in India as well as the strength of macro-economic stability indicators. It is also essential to look at progress in vaccination as this is not just a health response but also a buffer against economic disruptions caused by repeated waves of the pandemic.

### ECONOMY RECOVERS PAST PRE-PANDEMIC LEVELS

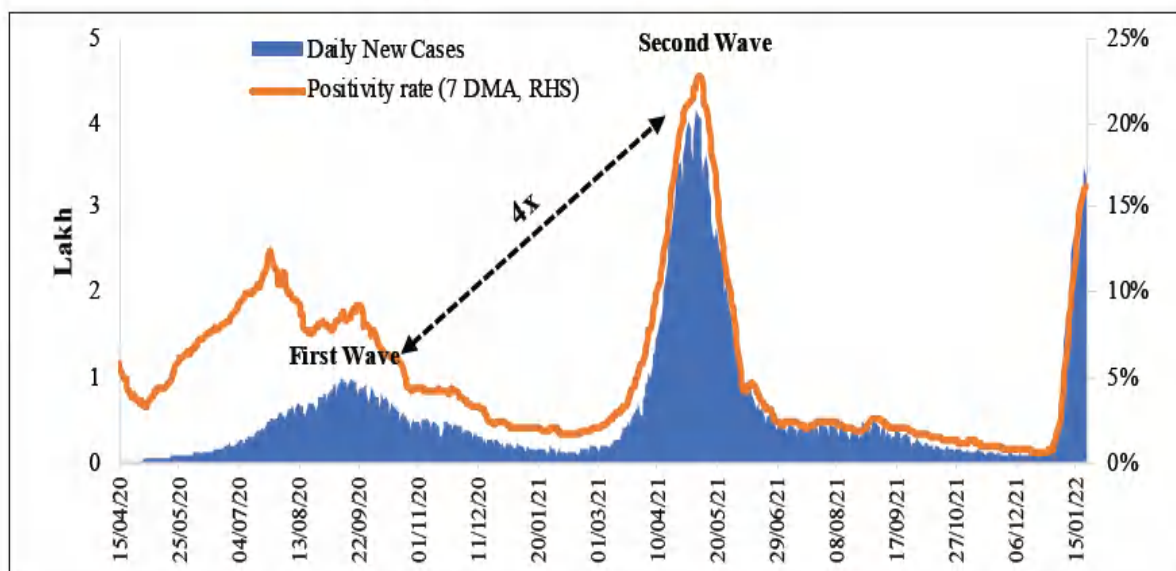
The Indian economy, as seen in quarterly estimates of GDP, has been staging a sustained recovery since the second half of 2020-21. Although the second wave of the pandemic in April-June 2021 was more severe from a health perspective, the economic impact was muted compared to the national lockdown of the previous year (see Figures 1 & 2). Advance estimates suggest that GDP will record an expansion of 9.2 per cent in 2021-22. This implies that the level of real economic output will surpass the pre-COVID level of 2019-20.

**Figure 1: Gross Domestic Output (Constant Prices, Base Year:2011-12)**



Source: National Accounts Statistics (NSO), MoSPI

**Figure 2: Waves of COVID-19**



Source: Data accessed from Ministry of Health and Family Welfare (MoH&FW)

Note: DMA stands for Daily Moving Average

## GROWTH OUTLOOK

The Indian economy is estimated to grow by 9.2 per cent in real terms in 2021-22 (as per the First Advance Estimates), after a contraction of 7.3 per cent in 2020-21. Growth in 2022-23 will be supported by widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending. The year ahead is also well poised for a pick-up in private sector investment with the financial system in a good position to provide support to the revival of the economy. Thus, India's GDP is projected to grow in real terms by 8.0-8.5 per cent in 2022-23. This projection is based on the assumption that there will be no further debilitating pandemic related economic disruption, monsoon will be normal, withdrawal of global liquidity by major central banks will be broadly orderly, oil prices will be in the range of US\$70-\$75/bbl, and global supply chain disruptions will steadily ease over the course of the year.

The above projection is comparable with the World Bank's and Asian Development Bank's latest forecasts of real GDP growth of 8.7 per cent and 7.5 per cent respectively for 2022-23. As per the IMF's latest World Economic Outlook (WEO) growth projections released on 25th January, 2022, India's real GDP is projected to grow at 9 per cent in both 2021-22 and 2022-23 and at 7.1 per cent in 2023-24. This projects India as the fastest growing major economy in the world in all these three years

**Table 8: Overview of the World Economic Outlook Projections**

Country/Country groups	Year over Year (Percent change, unless noted otherwise)			
	Estimate		Projections	
	2020	2021	2022	2023
<b>World Output</b>	-3.1	5.9	4.4	3.8
<b>Advanced Economies</b>	-4.5	5.0	3.9	2.6
United States	-3.4	5.6	4.0	2.6
Euro Area	-6.4	5.2	3.9	2.5
Germany	-4.6	2.7	3.8	2.5
France	-8.0	6.7	3.5	1.8
Italy	-8.9	6.2	3.8	2.2
Spain	-10.8	4.9	5.8	3.8
Japan	-4.5	1.6	3.3	1.8
United Kingdom	-9.4	7.2	4.7	2.3
Canada	-5.2	4.7	4.1	2.8
Other Advanced Economies*	-1.9	4.7	3.6	2.9
<b>Emerging Market and Developing Economies</b>	-2.0	6.5	4.8	4.7
Emerging and Developing Asia	-0.9	7.2	5.9	5.8
China	2.3	8.1	4.8	5.2
India**	-7.3	9.0	9.0	7.1
ASEAN***	-3.4	3.1	5.6	6.0
Emerging and Developing Europe	-1.8	6.5	3.5	2.9
Russia	-2.7	4.5	2.8	2.1
Latin America and the Caribbean	-6.9	6.8	2.4	2.6
Brazil	-3.9	4.7	0.3	1.6
Mexico	-8.2	5.3	2.8	2.7
Middle East and Central Asia	-2.8	4.2	4.3	3.6
Saudi Arabia	-4.1	2.9	4.8	2.8
Sub-Saharan Africa	-1.7	4.0	3.7	4.0
Nigeria	-1.8	3.0	2.7	2.7
South Africa	-6.4	4.6	1.9	1.4

Source: IMF WEO, January 2022 Update

\* Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

\*\* For India, data and forecasts are presented on a fiscal year basis, with FY 2021/2022 starting in April 2021. For the January 2022 WEO Update, India's growth projections are 8.7 per cent in 2022 and 6.6 percent in 2023 based on calendar year. The impact of the Omicron variant is captured in the column for 2021 in the table.

\*\*\* Indonesia, Malaysia, Philippines, Thailand, Vietnam.

(Sources: [www.indiabudget.gov.in](http://www.indiabudget.gov.in))

## INVESTMENTS

To keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The industry attracted Foreign Direct Investment equity inflow (FDI) worth US\$ 30.78 billion between April 2000-September 2021, accounting for 5.49% of the total equity FDI during the period.

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- In February 2022, a memorandum of understanding (MoU) was signed between electric two-wheeler company Ather Energy and Electric Supply Companies (ESCOMs) of Karnataka for setting up 1,000 fast charging stations across the state.
- In February 2022, Tata Power and Apollo Tyres Ltd announced a strategic partnership for the establishment of 150 public charging stations across India.



- In January 2021, leading commercial vehicle manufacturer Ashok Leyland teamed up with Aidrivers, a global leader in AI-enabled autonomous solutions for industrial mobility, to develop AI-enabled autonomous vehicles to fulfil the demands of a sustainable future.
- Two-wheeler EV maker HOP Electric Mobility, a diversified business venture of Rays Power Infra, is looking at investing Rs. 100 crore (US\$ 13.24 million) over the next two years to expand manufacturing capacity for its EVs.
- In December 2021, TVS Motor Company and BMW Motorrad, announced a partnership in the two-wheeler EV space, with plans to release their first electric two-wheeler within the next two years.
- In December 2021, Hyundai announced plans to invest Rs. 4,000 crores (US\$ 530.25 million) in R&D in India, with the goal of launching six EVs by 2028.
- In November 2021, Indian Oil Corporation (IOC) and two other public sector oil firms announced that they will install 22,000 EV charging stations in India over the next 3–5 years.
- In November 2021, Skoda Auto announced plans to locally manufacture electric cars in India. However, the firm may bring its first EV, the Enyaq, through the CBU route, before committing to local manufacturing.
- In November 2021, Hero Motor (HMC), the parent company of Hero Cycles, entered a joint venture partnership with Yamaha, a Japanese two-wheeler major, to make electric motors for e-bicycles for the global market.
- In October 2021, Tata Motors announced that private equity group TPG along with ADQ of Abu Dhabi has agreed to invest Rs. 7,500 crore (US\$ 1 billion) in its EV division.
- A cumulative investment of Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's EV ambitions.

## **RECENT TRENDS**

### ***Luxury vehicles***

- The luxury car market registered sales of 19,781 units in FY21. The entry of new manufacturers and new launches is likely to propel this market in 2021.
- In 2021, Mercedes-Benz topped India's luxury car sales charts, with sales of 11,242 units.
- In 2021, luxury car manufacturers launched almost 70 new products, which includes BMW bringing in 25 new units, Mercedes-Benz (15), Jaguar Land Rover (10), Audi (7), Volvo (5) and the remaining from manufacturers such as Rolls Royce, Lamborghini, Ferrari and Porsche.

### ***Catering to Indian needs***

- Most firms including Kia Motors and Volkswagen have adapted themselves to cater to the large Indian middle-class population by dropping their traditional structure and designs. This has allowed them to compete directly with domestic firms, making the sector highly competitive.
- Tata Motors introduced the Ace Gold Petrol CX in July 2021, which is India's cheapest, most compact commercial four-wheeler vehicle, starting at Rs. 3.99 lakh (US\$5,362). For this, it has partnered with the State Bank of India to provide up to 90% financing of on-road pricing, with monthly EMIs starting at Rs. 7,500 (US\$ 101).

## **GOVERNMENT INITIATIVES**

The Government of India encourages foreign investment in the automobile sector and has allowed 100% FDI under the automatic route.

Some of the recent initiatives taken by the Government of India are -

- In February 2022, Nitin Gadkari, Minister of Road Transport and Highways, revealed plans to roll out Bharat NCAP, India's own vehicle safety assessment program.
- In February 2022, 20 carmakers, including Tata Motors Ltd, Suzuki Motor Gujarat, Mahindra and Mahindra, Hyundai and Kia India Pvt. Ltd, were chosen to receive production-linked incentives (PLI) as part of the government's plan to increase local vehicle manufacturing and attract new investment. The 20 automobile companies have proposed a total investment of around Rs. 45,000 crore (US\$ 5.95 billion).
- In the Union Budget 2022-23, the government laid out the following initiatives:
- The government introduced a battery-swapping policy, which will allow drained batteries to be swapped with charged ones at designated charging stations, thus making EV's more viable for potential customers.
- India's National Highways would be expanded by 25,000 km in 2022-23 under the Prime Minister's Gati Shakti Plan.
- In November 2021, the Union Government added >100 advanced technologies, including alternate fuel systems such as compressed natural gas (CNG), Bharat Stage VI compliant flex fuel engines, electronic control units (ECU) for safety, advanced driver assist systems and e-quadricycles, under the PLI scheme for automobiles.
- In September 2021, the Union Minister for Road, Transport and Highways, Nitin Gadkari announced that government is planning to make it mandatory for car manufacturers to produce flex-fuel engines after getting the required permissions from the Supreme Court of India.
- In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of over Rs. 42,500 (US\$ 5.74 billion) by 2026, and create 7.5 lakh jobs in India.
- In August 2021, Prime Minister Narendra Modi launched the Vehicle Scrappage Policy, which aims to phase out old polluting vehicles in an environmentally-safe manner.
- The Indian government has planned US\$ 3.5 billion in incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles.
- As of June 2021, Rs. 871 crore (US\$ 117 million) has been spent under the FAME-II scheme, 87,659 electric vehicles have been supported through incentives and 6,265 electric buses have been sanctioned to various state/city transportation undertakings.

## **ACHIEVEMENTS**

Following are the achievements of the Indian automotive sector:

- India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy trucks manufacturer in the world.
- In September 2021, Power Grid Corporation of India Limited (POWERGRID) laid the foundation stone of the first EV charging station in Meghalaya at its office complex at Lapalang, Shillong.
- In July 2021, India inaugurated the NATRAX, which is Asia's longest high-speed track and the fifth-largest in the world.
- Investment flow into EV start-ups in 2021 touched an all-time high, increasing nearly 255% to reach Rs. 3,307 crore (US\$ 444 million).

- EV startups that attracted maximum funding in 2021 were Ola Electric (US\$ 253 million), Blusmart (US\$ 25 million), Simple Energy (US\$ 21 million), Revolt (US\$ 20 million) and Detel (US\$ 20 million).
- Under NATRiP, following testing and research centres have been established in the country since 2015.
- International Centre for Automotive Technology (ICAT), Manesar
- National Institute for Automotive Inspection, Maintenance & Training (NIAIMT), Silchar
- National Automotive Testing Tracks (NATRAX), Indore
- Automotive Research Association of India (ARAI), Pune
- Global Automotive Research Centre (GARC), Chennai
- SAMARTH Udyog - Industry 4.0 centres: 'Demo cum experience' centres are being set up in the country for promoting smart and advanced manufacturing helping SMEs to implement Industry 4.0 (automation and data exchange in manufacturing technology).

## **ADVANTAGE INDIA**

### ***Growing Demand***

- Rising middle class income and a huge youth population will result in strong demand.
- In January 2022, total production of passenger vehicles\*, three-wheelers, two-wheelers and quadricycles reached 1,860,809 units.
- Indian automotive industry is targeting to increase export of vehicles by five times during 2016-26.
- Indian automobile exports stood at 424,037 units from April 2021 to December 2021, compared with 291,170 units from April 2020 to December 2020.

### ***Opportunities***

- India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles.
- Focus is shifting to electric vehicles to reduce emissions.
- The electric vehicles industry is likely to create five crore jobs by 2030.
- Government aims to build India into a R&D hub.

### ***Rising Investment***

- The automobile sector received cumulative equity FDI inflow of about US\$ 30.78 billion between April 2000 and September 2021.
- The Government of India expects automobile sector to attract US\$ 8-10 billion in local and foreign investments by 2023.
- India has significant cost advantages. Auto firms save 10-25% on operations vis-à-vis Europe and Latin America.

### ***Policy support***

- In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion).
- Automotive Mission Plan 2016-26 is a mutual initiative by the Government of India and Indian Automotive Industry to lay down the roadmap for development of the industry.



- The Government aims to develop India as a global manufacturing centre.
- In Union Budget 2022-23, the government announced increased allocation of capex, high target for national highways, and proposed an EV battery policy.

#### **ROAD AHEAD**

- The automobile industry is dependent on various factors such as availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labour.
- Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.
- The Indian auto industry is expected to record strong growth in 2022-23, post recovering from effects of COVID-19 pandemic. Electric vehicles, especially two-wheelers, are likely to witness positive sales in 2022-23.

*(Source : [www.ibef.org](http://www.ibef.org) )*

## BUSINESS OVERVIEW

Some of the information in this chapter, including information with respect to our plans and strategies, contain forward looking statements that involve risks and uncertainties. You should read **“Forward-Looking Statements”** beginning on page 20 for a discussion of the risks and uncertainties related to those statements and also **“Risk Factors”**, **“Restated Financial Statement”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** beginning on pages 322, 190 and 226 respectively of this Draft Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*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 Draft Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statement” beginning on pages 322, 226 and 190 respectively of this Draft Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated audited financial statements. Further, all references to “Lead Reclaim and Rubber Products Limited”, ‘the Company’, ‘our Company’, ‘LRRPL’ and ‘the Issuer’ and the terms ‘we’, ‘us’ and ‘our’, are to Lead Reclaim and Rubber Products Limited.*

## BACKGROUND

Our Company was originally incorporated in Ahmedabad as “Lead Amber Microtech Limited” on October 31, 2012 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Consequently, the name of our Company was changed to “Lead Reclaim and Rubber Products Limited” vide fresh certificate of incorporation dated December 31, 2013 issued by the Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of the Company is U25203GJ2012PLC072513. The registered office of our Company is situated at A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej by Pass Road Bharuch - 392001, Gujarat, India. For details of the changes in our name and registered office, please refer to the chapter titled **“History and Certain Corporate Matters”** beginning on page no. 156 of this Draft Prospectus.

Our Company is in the business of manufacturing of reclaimed rubber, crumb rubber powder and rubber granules. Our Company focus on a) saving valuable natural resources by way of recycling; and b) helping our customers fulfil their circularity aspirations through use of our reclaimed rubber products. We believe that we are one of the few companies in our reclaimed rubber industry that can process radial rubber, scrap tyre and tube rubber. Our manufacturing facility is situated at 856/4, Sarali Road Village - Pithai, Taluka- Kathalal, Kheda – 387630, Gujarat, which is spread over a total land area of approximately 7790 Sq. mts. with the existing plant occupying approximately 2253 Sq. mts with the total install capacity of 5520 metric tons. Our manufacturing facility employs an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers. As on the date of this Draft Prospectus, our manufacturing facility is accredited with ISO 9001:2015 certifications for quality management system. We are also the member of Rubber Manufacturers’ Welfare Association.

Our Product Portfolio offers a diversified product range which includes variety of grades, thickness, widths and standards of various grades of whole tyre reclaim rubber, butyl reclaim rubber and natural reclaimed rubber. Currently, we sell our products to OEM’s, Tier I companies in the automotive manufacturing sector, distributors and dealers. We also sell our products to foreign buyers located in Sri Lanka, Argentina, Turkey, China, etc through merchant exporters. Our revenue from exports (including sales through merchant exporter) for the six months period ended September 30, 2022 and for the FY

2022 and FY 2021 has been Rs. 162.60 Lakhs, Rs. 522.39 Lakhs and Rs. 15.75 Lakhs, respectively which constituted 33.02%, 50.71% and 2.24% of our revenue from operations for the respective fiscal.

Our Promoters, have a collective experience of over 10 years in the rubber recycling industry. The experience of our Promoters is reflected in the Company's performance with increase in revenue from Rs. 706.26 Lakhs in FY 2021 to Rs. 1,036.93 Lakhs in FY 2022 and Profit after Tax has grown from Rs. 22.74 Lakhs to Rs. 47.87 Lakhs during the same period.

At our manufacturing facility, we have an in-house testing laboratory, for testing our raw materials and finished products to match the quality standards as specified and required by our customers. We strive to meet all the environment, health and safety standards in our manufacturing process. Every batch of Reclaimed rubber undergoes various parameters of quality tests.

## **OUR COMPETITIVE STRENGTHS**

### ***In-house manufacturing facility supported by technology driven process***

We presently carry all our manufacturing operations through our production facility located at 856/4, Sarali Road Village - Pithai, Taluka- Kathalal, Kheda – 387630, Gujarat which has a total approve installed capacity of 5520 MT for processing nylon tyre scrap, butyle tube scrap, natural tyre scrap and radial tyre scrap. We believe that we have been able to setup an efficient, technology driven manufacturing process that has helped us to manufacture our products in accordance with the requirements and specifications of our customers in a cost-effective manner. For instance, we use equipment such as steam boilers machines which help us in saving fuel costs and enable better recovery from scrap. Our infrastructure in the manufacturing facility gives us the flexibility to process various types of whole tyre and rubber scrap, and manufacture recycled rubbers in line with the required composition. We believe the availability of adequate equipment's provides us a cost competitive advantage which in turn provides us an advantage in securing purchase orders from customers across the industries.

### ***Diversified customer base and long-standing relationship with our customers***

We serve a diversified customer base ranging from tyre and tube manufacturers to automobile parts manufacturers, rubber part manufacturers, conveyor belt manufacturers and agricultural products manufacturer. We generally do not enter into long term agreements with our customers; however, we have developed long-standing relationships with these customers some of whom have been with us for over five years. Our out of top 10 customer contribute approximately 90% of our Sales. We have catered our domestic customers and have also exported our products in Sri Lanka, Argentina, Turkey, China, etc. (including sales through merchant exporter) for the six months period ended September 30, 2022 and for the FY 2022 and FY 2021 has been Rs. 162.60 Lakhs, Rs. 522.39 Lakhs and Rs. 15.75 Lakhs, respectively which constituted 33.02%, 50.71% and 2.24% of our revenue from operations for the respective fiscal.

Maintaining strong relationships with our key customers is essential to our business strategy and to the growth of our business. Owing to our strong customer relationships and varied applications for our product portfolio, we have been able to retain a number of our customers for a long period of time ensuring uninterrupted supplies of our products to them.

### ***Experienced Promoter Directors with extensive domain knowledge***

We are led by our Promoter Director comprising our Chairman & Managing Director, Baldevbhai Patel and Jayeshkumar Patel and our Whole Time Director Kalpesh Patel who have a collective experience of over 10 years in the rubber industry. Our Promoter Directors are involved in various aspects of our business, including manufacturing process, finance, procurement and marketing.

We believe that the experience, depth and diversity of our Promoter Directors have enabled our Company to scale our operations in domestic and international market. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and leverage customer relationships and respond to changes in customer preferences.

For further information on our Promoter Directors please see the sections entitled “*Our Promoters and Promoter Group*” and “*Our Management*” on pages 179 and 161, respectively

#### ***Locational advantage***

Our manufacturing unit is located in Kathlal, in the Kheda district of Gujarat is in close proximity to the Inland Container Depot at Dasrath which is approximately 81 kms, Hazira port which is approximately 251 kms, Mundra port which is approximately 400 kms and Khodiyar Inland Container Depot which is approximately 65 kms.

#### ***Stringent quality control mechanism ensuring standardized product quality***

Quality assurance and quality control are integral part of our manufacturing operations. We believe that quality is an ongoing process of building and sustaining relationship. Our testing laboratory is equipped with all necessary infrastructure to test raw material and finished goods. We inspect the entire process ensuring quality of our products is maintained. Keeping in view of the expectations of our customers for the quality of our products, we take special care from procuring raw material to packing of finished goods. Stringent quality control mechanism ensuring standardized product quality.

We employ an extensive and stringent quality control mechanism at each stage of the recycling process including a multi-stage check of raw materials, elongation at break test, mooney viscosity test, specific gravity test, etc., which are required to ensure that our finished product conforms with the exact requirement of our customers and successfully passes all validations and quality checks. Further, as a certification of the quality assurance, our Company has received ISO 9001:2015 for quality management system.

We believe that our focus on quality of products has enabled us to sustain and grow our business model to benefit our customers.

### **OUR BUSINESS STRATEGIES**

Our Company is in the manufacturing of reclaim rubber products grown in developing quality products and building trust in the customers. Providing quality products and services to the customers is the main business strategy of our company. Keeping this in view, the business strategy of our company is as under:

#### ***Increasing our capability to manufacture reclaimed rubber from radial and tubeless tyre***

We aim to increase our manufacturing capability of reclaimed rubber products from radial and tubeless tyre. As on the date of this Draft Prospectus, we have one manufacturing facility for the production of our products. Our total approved installed capacity as on September 30, 2022 was 5520 MT of reclaimed rubber products.

Our manufacturing facility is spread over total land area of approximately 7790 Sq. mts. with the existing plant occupying approximately 2253 Sq. mts and having total approved installed capacity of 5520 MT per annum. We are manufacturing Whole Tyre Reclaim Rubber Sheets, Natural Tube Reclaim Rubber Sheets and Butyl Tube Reclaim Rubber Sheets and propose to manufacture reclaimed rubber products from radial and tubeless tyre.

We propose to utilize Rs. 216.42 Lakhs from the Net proceeds of the Issue towards one of the Object of the Issue i.e, the purchase of machinery for expanding our manufacturing capability. For further details, please refer to the chapter titled “*Objects of the Issue*” on page 105 of this Draft Prospectus.

We believe that the increased production capacity of reclaimed rubber will make us one of the major players in the industry. Further, reclaimed rubber has higher realization value and thus increasing our margin and profitability.

### ***Augmenting growth in domestic and international markets***

With a view to further diversify our customer base and increase our market share, we intend to augment our sales in the domestic and international markets where we sell our products as well as expand into new geographies.

Our revenue from exports (including sales through merchant exporter) for the six months period ended September 30, 2022 and for the FY 2022 and FY 2021 has been Rs. 162.60 Lakhs, Rs. 522.39 Lakhs and Rs.15.75 Lakhs, respectively which constituted 33.02%, 50.71% and 2.24% of our revenue from operations for the respective fiscal.

We believe that the long-standing relationships that we have enjoyed with our customers over the years and the repeat and increased orders received from them are an indicator of our position as a preferred source. We intend to leverage on our diversified product portfolio and expand globally to serve our existing customers as well as to secure new customers and expand the reach of our products in existing and new markets. Our Promoter Director Jayeshkumar Patel, whose primary focus will be on business development in international markets, while we increase our presence in domestic market.

### ***Continue to strive for cost efficiency***

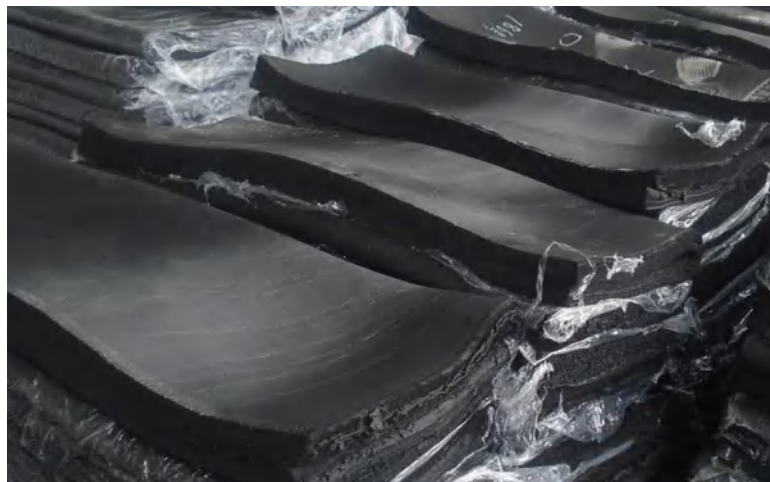
We will continue to focus on further increasing our operations and improving operational effectiveness at our production facility. Higher operational effectiveness results in greater production volumes and higher sales which allows us to reduce our fixed cost and thereby, increasing our profit margins. We wish to constantly pass such benefit to our customers and increase our efficiency further. We also wish to target economies of scale to gain increased negotiating power on procurement.

## **OUR OPERATIONS**

### ***Our Products***

We believe our Company is one of the manufacturers, in the state of Gujarat of reclaimed rubber products by processing a range of raw materials like whole tyre, butyl tubes, nylon tyres, radial and tubeless tyres. Our reclaimed rubber products have wide application across industry. Our range of reclaimed rubber products is as under:

#### **Whole tyre reclaim rubber**



The whole tyre reclaim products are manufactured by processing whole tyre scrap. The whole tyre reclaim rubber is available in various grades like fine grade, superfine grade, medium grade and high tensile grade. The physical properties of each of these grades differs and is used in different end use application.

#### **Application**

Truck tyre, tread rubber, rubber moulded components, cycle tyre, rubber mats battery containers,

conveyor belt

Natural reclaim rubber



Natural Reclaim Rubber is manufactured by using only scrap natural rubber tubes.

***Application***

Tubes of bicycle, 2-3-wheeler, light motor vehicle etc., automobile extruded parts, moulded rubber product, other extruded product, etc

Butyl tube reclaim rubber



Butyl tube reclaim rubber is manufactured by using butyl tube scrap. The finished product is butyl inner tubes.

***Application***

Tubes of Four-wheeler and heavy transport vehicle, etc

**Our revenue**

We derive our revenue from sale of reclaimed rubber products. Our revenue from our various products can be for the period ended September 30, 2022 and as on March 31, 2022 is as set forth below:

***(Rs. in Lakhs)***

Name of Products	As on September 30, 2022	As % of total turnover	As on March 31, 2022	As % of total turnover
<b>Whole tyre reclaim rubber</b>				
Reclaim Rubber Sheet F	65.35	13.27	68.56	6.66
Reclaim Rubber Sheet – M	1.16	0.24	62.23	6.04
Reclaim Rubber Sheets S	166.62	33.84	286.58	27.82
Reclaimed Rubber Sheets	163.70	33.25	422.99	41.06
Reclaim Rubber Course	1.14	0.23	10.85	1.05
<b>Natural tube reclaim rubber</b>				
Reclaim Rubber Sheet N	73.25	14.88	88.76	8.62
<b>Butyl tube reclaim rubber</b>				
Reclaim Rubber Butyl Sheets	14.29	2.90	55.91	5.43
Crumb Rubber Powder	6.88	1.40	34.21	3.32
<b>Total</b>	<b>492.39</b>	<b>100.00</b>	<b>1030.09</b>	<b>100.00</b>

Below are the details of geography-wise revenue break-up for the period ended September 30, 2022 and as on March 31, 2022:

*(Rs. in Lakhs)*

Particulars	As on September 30, 2022 Amount in Rs.	As % of total turnover	As on March 31, 2022 Amount in Rs.	As % of total turnover
Domestic	329.79	66.98	507.70	49.29
Direct Export	-	-	31.88	3.09
Deemed Export	162.60	33.02	490.51	47.62
<b>Total</b>	<b>492.39</b>	<b>100.00</b>	<b>1,030.09</b>	<b>100.00</b>

### *Our Manufacturing Process*

We start our process from collection of scraps, processing the scrap and manufacturing the finished products. Our manufacturing process can be summarized into four phases such as (1) Sorting, (2) Crushing, (3) De Vulcanization and (4) Straining and Refining.

Set forth below is a brief description of the process carried out in our manufacturing facility:



#### Collecting Scrap Rubber

Scrap tyres and tubes are received in the factory and unloaded. The scrap is then sorted using mechanical and manual process to check the quality, impurities and material type.

The scrap sorted is stored for further processing.

#### De Beading

De Beading is the process of cutting the tyres. The de beading process is carried out mechanically with the use of a cutting machine.

#### Rubber Granules

The cut tyres from the de beading process are further processed in the cracker machine to make rubber granules.

#### Crumb Rubber

The rubber granules are further grinded through a mechanical process in a grinder machine to make small grain particles ranging from 20 to 40 mesh particles.

#### De Vulcanization

Devulcanization is a chemical process that reverses the “vulcanization” of rubber i.e. selective breakdown of the sulfur-sulfur (S-S) and carbon-sulfur (C-S) chemical bonds, maintaining the basic structure of the carbon-hydrogen chains.

Under this process the rubber crumb is heated and stirred in a rotary autoclave system with rubber reclaiming agents under a specified temperature and steam pressure for approximately 2 hours.

#### Premixing – Pre-Refining – Straining – Final Refining

The final stage of rubber reclaiming involves passing the devulcanized rubber through heavy rollers, strained through a wire mesh screen, and rolled again to a final sheet thickness as per customer requirements. The discharged sheets are wrapped around a rotating drum. The wrapped layers are then cut off from the drum to give a slab of reclaim rubber of predetermined size and weight.



### Weighing

We weight the reclaim rubber sheets and send sample to the QC Department.

### Quality Control

Each batch sample of reclaimed rubber under goes testing for their physical and chemical properties.

### Packing section

Once approved by the Quality Control Departments, the finished product is ready for packing. We pack our reclaim rubber sheets as per our customer packing requirement, like wooden / metal pallet packing, Eva bags packing (Low melting Bags), HDPE (Stitched Bag packing), etc.

### ***Our Manufacturing Facility***

Our manufacturing facility is situated at 856/4 Sarali Road Village - Pithai, Taluka- Kathalal, Kheda – 387630, Gujarat, India. Our manufacturing capacity as on September 30, 2022 was 5520 MT per annum. Our manufacturing facility is operated round the clock for seven days in a week with national and public holidays being the off days.

Set forth below are details of the installed capacity and the utilized capacity, for the six months period ended September 30, 2022 and for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020

Product Name	2019-20		2020-21		2021-22	
	Installed capacity (MTPA)**	Actual capacity (MTPA)**	Installed capacity (MTPA)**	Actual capacity (MTPA)**	Installed capacity (MTPA)**	Actual capacity (MTPA)**
Whole Tyre Reclaim Rubber Sheets	3000.00 M T	1428.45 MT	3000.00 M T	2264.91 MT	5520.00* MT	2658.62 MT
Natural Tube Reclaim Rubber Sheets		372.81 MT		315.9 MT		285.5 MT
Butyl Tube Reclaim Rubber Sheets		2.00 MT		18.7 MT		101.5MT
<b>Total</b>		<b>1803.26 M T</b>		<b>2599.51 M T</b>		<b>3045.62 M T</b>

\*We received approval from Gujarat Pollution Control Board (GPCB) for capacity of 450 MT per month.

\*\*As certified by M/s DKN & Associate, Chartered Accountant vide their certificate dated December 09,2022.

### ***Our Equipment***

The details of existing Plant and Machineries in our manufacturing facility are given herein below:

Sr. No.	Description (including make, model etc)	Quantity	Automated/Manual
1	1.5 Capacity broiler	1	Automated
2	Cooling tower	1	Automated
3	Crecker	1	Automated
4	Crecker with automation	1	Automated
5	De beading machine with automation	1	Automated
6	D G set	1	Automated
7	Gas emission control panel	1	Automated
8	Gear box	1	Automated
9	Grinder machine with automation	1	Automated
10	Auto clay	2	Automated
11	Pre-refiner and strainer machine	3	Automated
12	Refiner machine	3	Automated
13	Transformer with accessories	1	Automated
14	Valve purchase	1	Automated
15	HT VCB penal	1	Automated
16	Electricals goods	1	Automated
17	Old refiner machine	1	Automated
18	ETP plant	1	Automated
19	Old crecker (refiner) machine	1	Automated

## ENVIRONMENT AND SAFETY MEASURES

Environment and safety considerations are an important part of our operations. We are subject to environmental laws and regulations, including regulations relating to the protection of the environmental and human health in relation to our manufacturing facility. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy.

Our Manufacturing Facility possess effluent treatment processes in compliance with applicable law. We believe that accidents and occupational health hazards can be significantly reduced through a systematic

analysis and control of risks and by providing appropriate training to our management and our employees. Our Company has installed fire safety equipment to manage any fire accident at its facility.

Our manufacturing facility have received the ISO 9001:2015 accreditation for quality management system.

### **COLLABORATIONS/TIE UPS/JOINT VENTURES**

Our Company has not entered into any Collaborations/ Tie-Ups/ Joint Ventures as on the date of this Draft Prospectus.

### **EXPORT OBLIGATION**

Our Company does not have any export obligation as on date of this Draft Prospectus.

### **SALES AND MARKETING STRATEGY**

Marketing is an important function of any organization. Our success lies in the strength of our relationship with our customers who have been associated with our company for a long period. Our promoters through their vast experience with clients owing to timely and quality delivery of products, play an instrumental role in creating and expanding a work platform for our Company.

We leverage our relationships with our existing customers to procure repeat orders from them, as well as invitations to develop new products for their new models. Our management has flexibility to accept customer's specific requirements while negotiating and discussing development of new products. In order to maintain good relation with our customers, our Promoter Director regularly interacts with them and focuses on gaining an insight into the additional needs of our customers.

### **COMPETITION**

We face competition from domestic and international manufacturers and traders. Competition emerges from small as well as big players in the reclaim rubber industry. The organized players in the industry compete with each other by providing high quality-time bound products and value-added services. We have a number of competitors offering products similar to us. We believe that our experience in this business and quality assurance will be key to overcome competition posed by organized and unorganized players. We believe that we are able to compete effectively in the market with our quality of services and our reputation. We believe that the principal factors affecting competition in our business include client relationships, reputation, and the relative quality and price of the products.

### **INFRASTRUCTURE & UTILITIES**

Our Offices are well equipped with computer systems and other communication equipment, power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly;

#### **Power: -**

Our company have adequate power supply to carry out the business operations. Our Company consume electricity from Madhya Gujarat Vij Company Limited (MGVCL) for our manufacturing unit and from Dakshin Gujarat Vij Company Limited (DGVCL) for our registered office. In case of power failure from MGVCL, the D.G. (Diesel Generator) Sets are activated and the power supply system automatically switches to D.G. within a few minutes. The DG Set of 82.5 KVA is installed for power back up in case of power failure.

#### **Water: -**

Water is mainly required for cooling the products in production process, fire safety, drinking and sanitation purpose. We meet our water requirements by bore well at our manufacturing units.

**Raw Material: -**

We require various raw materials to carry on the manufacturing activities which are procured by import as well as from domestic market. The essential raw material used by our manufacturing facility for production of reclaimed rubber is whole tyre, butyl rubber, natural tube rubber, radial tyre and tubeless tyre. We import scrap rubber powder which is re-exported as reclaimed rubber.

The other raw material used by us consists of scrap tyre, scrap tube, scrap butyl tube and scrap natural tube etc.

**HUMAN RESOURCE / EMPLOYEES**

We place importance on developing our human resources. We focus on attracting and retaining the best possible talent. Our business model comprises of senior level executives, professionals, experienced, qualified and semi qualified personnel. Our Company currently has 25 employees in total. Our work processes and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans. Further, the company does not employ workers on contract basis.

Following is the Department wise employees list: -

Sr. No.	Department	No. of Employees
1	Executive Directors	2
2	Senior Managerial Team / KMP	2
3	Administrative, Technical and Marketing Staff	6
4	Skilled Workers	3
5	Semi-Skilled Workers	2
6	Unskilled Workers	10
<b>TOTAL</b>		<b>25</b>

**LOGISTICS**

We transport our finished products by road and sea. We sell our products on a cost, insurance and freight basis, and on a door delivery/ DDP basis. In addition, we may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our manufacturing facilities. We do not own any vehicles for the transportation of our products and/or raw materials; we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. However, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time.

We procure raw materials based on our requirement, from pre-approved vendors. On receipt of the raw materials, our quality control team tests the materials and after such testing of the materials, the quality control department confirms whether the material is to be approved or rejected. The unloading of the raw materials in our factory premises are always done under supervision of the authorised personnel.

## INSURANCE

Except as mentioned below, our Company does not have any Insurance Policy as on date of this Draft Prospectus.

Name of the Insurance Company	Type of Policy	Validity Period	Description of Assets covered under the Policy	Policy No.	Total Sum Insured	Premium
ICICI Lombard General Insurance Company Limited	Rubber goods mfg with spreading	From: August 26, 2022 To: August 25, 2023	Manufacturing Unit: Building (with plinth and foundation), plant & machinery, furniture, fixture & fittings, finished goods	1016/25608 0732/00/000	Rs. 3,90,00,000	Rs. 1,32,722
The New India Assurance Co. Ltd	Employees Compensation Insurance	From: March 23, 2022 To: March 22, 2023	Employees with monthly wages upto and above Rs.15000	2102093621 0100000060	Rs. 36,00,000	Rs. 47,271

Our Company believes that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and Our Company cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

## OUR PROPERTIES

### *Immovable Properties*


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

Sr. No	Details of the Property	Rights	Owner/ Lessor	Purpose Used	Consideration/Lease Rental/Licence Fees (Rs.)
1	856/4 Sarali Road Village - Pithai, Taluka- Kathalal, Kheda – 387630, Gujarat, India.	Owned	Lead Reclaim and Rubber Products Limited	Manufacturing unit	--
2	A/8, Sunvilla Complex, Near Chines Hut Hotel	The Company	Owned by Promoter	Registered Office	—

Sr. No	Details of the Property	Rights	Owner/ Lessor	Purpose Used	Consideration/Lease Rental/Licence Fees (Rs.)
	Dahej By Pass Road Bharuch - 392001, Gujarat, India.	has obtained NOC from Promoter	(Jayeshkumar Patel)		

### ***Intellectual Property***

Our Company has obtained registration and/or made applications for the registration of the following trademark with Trademark Registry, Government of India.

Sr. No	Brand Name/ Logo Trademark	Class	Nature of Trademark	Applicant	Application No. & Date	Status
1	 LEAD™ RECLAIM RUBBER Scrap Rubber Recycling Unit	17	Wordmark	Lead Reclaim and Rubber Products Limited	5636340 and October 4, 2022	Send to Vienna Codification

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.*

*The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.*

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer to the Chapter titled “**Government and Other Approvals**” on page 237 of this Draft Prospectus. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **LAWS IN RELATION TO OUR BUSINESS**

#### ***The Factories Act, 1948***

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and -licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both. Further, the state government has enacted the Gujarat Factories Rules, 1963, which seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. The said Rules also mandate maintenance of certain statutory registers in the factory.

#### ***The Industrial Disputes Act, 1947***

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen. Further, as per

Section 9C, every industrial undertaking employing more than 20 workmen is required to appoint a grievance redressal committee for the resolution of disputes arising out of individual grievance. Such committee shall consist of equal number of representatives of the employer and workmen, in aggregate not exceeding 6 members.

### ***Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)***

Under the EPF Act, compulsory provident fund, employee’s pension fund and deposit linked insurance are payable to employees in factories and other establishments. The EPF Act inter-alia provides that a factory mentioned in Schedule I employing 20 (twenty) or more persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The Central Government may notify other establishments to which the EPF Act shall apply. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also inter-alia imposes punishments on any person who avoids making payments required to be made under the schemes made under the EPF Act and specifically on employers who contravene or default in complying with certain provisions of the EPF Act.

### ***The Employees State Insurance Act, 1948, (“ESIC Act”)***

The ESIC Act aims to provide for certain benefits to employees in case of sickness, maternity, employment injury disablement and to make provision for certain other matters in relation thereto. The Act provides for the establishment of a Corporation to be known as the Employees’ State Insurance Corporation for the purpose of the administration of Employees State Insurance Scheme. The Corporation shall be a body corporate by the name of Employees’ State Insurance Corporation having perpetual succession and a common seal and shall by the said name sue and be sued.

### ***The Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages. Workers are required to be paid for overtime at overtime rates stipulated by the appropriate State Government. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

### ***Employees’ Compensation Act, 1923 (“ECA”)***

The ECA has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for injuries resulting in (i) the death or (ii) permanent total disablement (iii) permanent partial disablement (iv) temporary disablement whether total or partial, or who has contracted an occupational disease of such workmen. The ECA makes every employer liable to pay compensation in accordance with the provisions of the ECA if any injury is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the ECA within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with simple interest and may also impose a penalty.

### ***Payment of Wages Act, 1936 (“Payment of Wages Act”)***

The Payment of Wages Act applies inter alia to the persons employed in any factory and to persons employed in industrial or other establishments. Under sub-section (6) of section 1 of the Payment of Wages Act, the Central Government is empowered to enhance the wage-limit for its applicability, after every five years, on the basis of the Index of Consumer Expenditure Survey brought out by the National



Sample Survey Office of Ministry of Statistics Programme Implementation, by notification in the Office Gazette. The existing wage limit for applicability of the Act has recently been enhanced from Rs.18,000/- per month to Rs.24,000/- per month vide Gazette Notification S.O. No. 2806 (E) dated 28th August, 2017. The Payment of Wages Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of the Payment of Wages Act and Rules made there under.

#### ***The Payment of Gratuity Act, 1972 ("Gratuity Act")***

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months and in such other establishments in which 10 (ten) or more employees are employed or were employed on any day of the preceding 12 (twelve) months, as notified by the Central Government from time to time. Under the Gratuity Act, an employee who has been in continuous service for a period of 5 (five) years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service.

#### ***Payment of Bonus Act, 1965 ("PoB Act")***

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed. An employee becomes entitled to be paid bonus in accordance with the provisions of the PoB Act if he has worked for at least 30 days in a year.

#### ***The Equal Remuneration Act, 1976 ("Equal Remuneration Act")***

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act was implemented. The Equal Remuneration Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

#### ***The Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after childbirth and to provide for maternity benefit and certain other benefits.

#### ***Child and Adolescent (Prohibition and Regulation) Act, 1986***

This statute prohibits employment of children (defined as being below 14 years of age) in any occupations and processes and the employment of adolescent (defined as being above 14 but below 18 years of age) in any hazardous occupation or processes specified in the said Act. The Central Government, may by notification, specify the non-hazardous work to which an adolescent may be employed.

#### ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")***

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the incident. If the establishment has less than 10 (ten) employees, then

the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

### ***Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)***

The MSMED Act is an act to provide for facilitating the promotion, development and enhancing the competitiveness of micro, small and medium enterprises. This statute constitutes a board called the ‘National Board for Micro, Small and Medium Enterprises’ (MSME Board) and lays down the constitution, powers and function of the MSME Board. The MSMED Act under section 7 specifies the classification of various enterprises and sets up an advisory committee to examine the matters referred to it by the MSME Board.

In order to achieve the promotion, development and enhancing the competitiveness of micro, small and medium enterprises, MSMED Act provides various benefits to the registered entities in the following manner: introducing various subsidies, schemes and incentives; grant of credit facilities; introduce various skill development programmes for the workers, employees, management, technology up-gradation, cluster development schemes; provide funds by way of government grants, etc.

### ***Boilers Act, 1923***

The Boilers Act is an act to provide for the safety of life and property of persons from the danger of explosions of steam boilers and for achieving uniformity in registration and inspection during operation and maintenance of boilers in India. The Boilers Act, 1923 provides that every boiler owner is required to make an application to the Chief Inspector of Boilers for the inspection of the boiler along with the treasury challan of the requisite fees as per requirements of Indian Boilers Act-1923. Section 7 of the Act imposes an obligation on the owner that the boiler shall be registered.

## **ENVIRONMENTAL LAWS**

### ***The Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)***

The Water Act aims to prevent and control water pollution. This legislation provides for the constitution of a central pollution control board and state pollution control boards for the performance of various functions relating to prevention and control of water pollution. Prior consent of the State Board is required before the establishment of a new operation which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land. The Water Act prohibits the use of a stream or well for the disposal of any polluting matter. The State Boards have the power of entry and inspection and to take samples of effluents passing from any plant into any stream or well for the purposes of determining such violation.

### ***The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)***

The central and state pollution control boards constituted under the Water Act are also to perform functions as per the Air Act for the prevention and control of air pollution. The Air Act aims for the prevention, control and abatement of air pollution. In terms of the Air Act, it is mandated that no person can, without the previous consent of the state board, establish or operate any industrial plant in an air pollution control area.

### ***The Environment Protection Act, 1986 (“Environment Act”)***

The Environment Act has been enacted for the protection and improvement of the environment. The Environment Act empowers the government of India (GOI) to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas in which any Industries, operations or processes or class of industries, operations or processes shall not be carried out or shall be carried out subject to certain safeguards and so on. The GOI may make rules for regulating environmental pollution. The Environment (Protection) Rules, 1986 (Environment Rules), as amended, further the purpose of the Environment Act. Rule 3 of the Environment Rules read with the Schedules to the Rules lay down the standards of emission or discharge

of environmental pollutants. Rule 3 also permits the central board or state boards to prescribe even more stringent emission/discharge standards. Rule 5 sets out the procedure and considerations to be taken into account by the Central Government while passing an order prohibiting or restricting the location of industries.

## **LAWS RELATING TO SALE OF GOODS AND CONSUMER PROTECTION**

### ***The Sale of Goods Act, 1930 (“Sale of Goods Act”)***

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of the Sale of Goods Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Sale of Goods Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in the Sale of Goods Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer’s right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

### ***Consumer Protection Act, 1986 (“Consumer Protection Act”)***

The Consumer Protection Act was promulgated to provide for better protection of the interests of consumers against deficiency in goods or deficiency in services and secure the rights of consumers against unfair trade practices. Consumer Protection Act also provides for establishment of consumer councils and other authorities for the settlement of consumers’ disputes and for the matters connected therewith.

## **TAX RELATED LAWS**

- *The Income Tax Act, 1961.*
- *Registration under the Central Goods and Services Tax Act, 2017 (GST), prior to implementation of the GST Act, other taxes like the Value Added Tax Act, Service Tax, Central Excise were also applicable to the Company.*
- *Customs Act, 1962.*
- *The Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976.*

## HISTORY AND CERTAIN CORPORATE MATTERS

### HISTORY AND BACKGROUND

Our Company is in the business of manufacturing of reclaimed rubber, crumb rubber powder and rubber granules. We believe that we are one of the few companies in our reclaimed rubber industry that can process radial rubber, scrap tyre and tube rubber. Our manufacturing facility employs an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers.

Promoters of our Company are Baldevbhai Patel, Jayeshkumar Patel, Kalpesh Patel, Rekhaben Patel, Sadhana Patel and Diksha Patel.

### CHANGES IN REGISTERED OFFICE OF OUR COMPANY.

There has been no change in the Registered Office of our Company since inception till the date of this Draft Prospectus.

The registered office of the Company is situated at A/8, Sunvilla Complex, Near Chines Hut Hotel Dahej, Bypass Road, Bharuch-392001, Gujarat, India.

### MAIN OBJECTS OF OUR COMPANY

The Main Objects clause of the Company as per the Memorandum of Association is as under:

To carry on in India or elsewhere the business as manufacturers, wholesalers, retailers, traders, brokers, importers, exporters, suppliers, jobworkers, stockists, distributors, processors and to produce, convert, commercialize, develop, finish, manipulate, maintain, mix, prepare, pack, repack, refine, recondition, treat, press, retread, mould, extrude, mix, regenerate, design, modify turn to account and to deal in all types of rubbers, including synthetic rubber, reclaimed rubber, natural rubber, rubber compounds, sponge rubber, rubber repair materials, rubber combination with any metallic or non-metallic substances, rubber chemicals, synthetic resins and all types of tyres, semi tyres, inner tubes, flaps, medical and dipper rubber products, rubber tiles, toys rubberized cloth, rubber belts, moulded and extruded products of commercial seats, cushions, pillows, mattresses, stamps, bands, belts, shoes, chappals, their products, by-products, compounds, derivatives, intermediates, residues, consumable, ingredients, raw materials, goods, articles and things.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION (MOA)

Since incorporation, the following amendments have been made to the MoA:

Date of Shareholder's Resolution	Clause	Particulars
November 12, 2013	Object Clause	<p>Alteration of Main Object by substituting clause III [A] 1 with new clause III [A] 1 of the MOA.</p> <p><b>From:</b> To carry on the business of manufacturers, importers, exporters, assemblers, hirers and repairers of and/or dealers in and marketing and distribution of computers and computer periphara, softwares and hardwares, computer parts, data transmission circuit, audio visual equipments and consumer electronics and electrical equipments, toys, mobile phones, radio receivers, television receivers, television picture tubes, tape-recorders, record changers, professional and defence</p>

		<p>electronics, test and measuring instruments, inspection instruments, digital and analytical instruments, electronic environmental and pollution measuring instruments, photocopying machines and other office equipments, electronic desk calculators, scillios copes and associated instruments, process control systems, industrial electronics, medical electronic equipments, electro devices, audio record/play back systems, closed circuit T.V., aerospace electronics, geo science electronics, broad casting electronics and for the purpose of foregoing the generality, materials, accessories, components and spare parts thereof.</p> <p><b>To:</b></p> <p>To carry on in India or elsewhere the business as manufacturers, wholesalers, retailers, traders, brokers, importers, exporters, suppliers, jobworkers, stockists, distributors, processors and to produce, convert, commercialize, develop, finish, manipulate, maintain, mix, prepare, pack, repack, refine, recondition, treat, press, retread, mould, extrude, mix, regenerate, design, modify turn to account and to deal in all types of rubbers, including synthetic rubber, reclaimed rubber, natural rubber, rubber compounds, sponge rubber, rubber repair materials, rubber combination with any metallic or non-metallic substances, rubber, chemicals, synthetic resins and all types of tyres, semi tyres, inner tubes, flaps, medical and dipper rubber products, rubber tiles, toys rubberized cloth, rubber belts, moulded and extruded products of commercial seats, cushions, pillows, mattresses, stamps, bands, belts, shoes, chappals, their products, by-products, compounds, derivatives, intermediates, residues, consumable, ingredients, raw materials, goods, articles and things.</p>
December 28, 2013	Name Clause	Change in the name of the Company from ‘‘Lead Amber Microtech Limited’’ to ‘‘Lead Reclaim and Rubber Products Limited’’.
October 30, 2021	Capital Clause	Increase in the Authorised Share Capital from Rs.25,00,000 divided into 2,50,000 Equity Shares of Rs.10 each to Rs. 2,25,00,000 divided into 22,50,000 Equity Shares of Rs.10 each.
March 08, 2022	Capital Clause	Increase in the Authorised Share Capital from Rs. 2,25,00,000 divided into 22,50,000 Equity Shares of Rs.10 each to Rs. 5,00,00,000 divided into 50,00,000 Equity Shares of Rs.10 each
October 18, 2022	Capital Clause	Increase in the Authorised Share Capital from Rs. 5,00,00,000 divided into 50,00,000 Equity Shares of Rs.10 each to Rs.

		8,00,00,000 divided into 80,00,000 Equity Shares of Rs.10 each
October 18, 2022	Adoption of Memorandum of Association and Articles of Association as per Companies Act, 2013	Alignment of the Object clause of Memorandum of Association in line with Companies Act, 2013 pursuant to resolution passed at the Extra Ordinary General Meeting held on October 18, 2022

## MAJOR EVENTS, MILESTONES, KEY AWARDS, ACHIEVEMENTS AND ACCOLADES OF OUR COMPANY

*The following tables set forth the major events and milestones in the history of our company:*

Financial Year	Major Events
2013	Alteration of Main Object by substituting clause III [A] 1 with new clause III [A] 1 of the MOA.
	Change of Name of Company from “Lead Amber Microtech Limited” to “Lead Reclaim and Rubber Products Limited”
2022	Company received GPCB approval for it increasing the capacity of manufacturing of Rubber from 250 to MT per month to 450 Mt per month
2022	Company received GPCB approval for scrap rubber powder 10 MT per month

*The following tables set forth the Key Awards, Achievements and Accolades in the history of our Company:*

Financial Year	Major Events
2016	We participated at India Rubber show 2016
2017	We participated at India International Rubber show 2017
2018	We participated at Asia Rubber Expo 2018
2019	A Certificate of Membership from Rubber manufactures welfare Association
	We participated at 3 <sup>rd</sup> Edition India Rubber & Tyre show December, 2019

## HOLDING / SUBSIDIARY COMPANY/ JOINT VENTURE AND ASSOCIATE

As on the date of this Draft Prospectus, our Company does not have a Holding or Subsidiary company or any joint venture or any Associate.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partners as on the date of this Draft Prospectus.

## **FINANCIAL PARTNERS**

Apart from the arrangements with bankers and lenders which our Company undertakes in the ordinary course of business, as on the date of this Draft Prospectus, our Company does not have any financial partners.

## **TIME AND COST OVERRUN IN SETTING UP OF PROJECTS**

As on the date of this Draft Prospectus, there have been no instances of time and cost overruns in setting up of our projects.

## **LOCK-OUT AND STRIKES**

There have been no instances of strikes or lock-outs at any time in our Company.

## **CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS**

For details pertaining to capacity / facility creation, location of plant refers chapter titled “*Business Overview*” beginning on page 138 of this Draft Prospectus.

## **DETAILS OF LAUNCH OF KEY PRODUCTS, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS**

For details pertaining to launch of key products, entry in new geographies or exit from existing markets, please refer chapter titled “*Business Overview*” on page 138 of this Draft Prospectus.

## **DEFAULTS OR RESCHEDULING / RESTRUCTURING OF BORROWINGS OF OUR COMPANY WITH FINANCIAL INSTITUTIONS / BANKS**

As on the date of this Draft Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with any of the financial institutions/banks or conversion of loans into equity in relation to our Company.

## **ACQUISITION OR DIVESTMENTS OF BUSINESS / UNDERTAKINGS, MERGERS AND AMALGAMATIONS**

Our Company has not acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation during the last ten (10) years.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

## **SHAREHOLDERS AND OTHER MATERIAL AGREEMENTS**

There are no shareholders and other material agreements, other than those entered into in the ordinary course of business carried on or intended to be carried on by our Company.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING MATERIAL EFFECT**

Alteration of Main Object by substituting clause III [A] 1 with new clause III [A] 1 of the MOA.

**From:** To carry on the business of manufacturers, importers, exporters, assemblers, hirers and repairers of and/or dealers in and marketing and distribution of computers and computer periphera, softwares and hardwares, computer parts, data transmission circuit, audio visual equipments and consumer electronics and electrical equipments, toys, mobile phones, radio receivers, television receivers, television picture tubes, tape-recorders, record changers, professional and defence electronics, test and measuring

instruments, inspection instruments, digital and analytical instruments, electronic environmental and pollution measuring instruments, photocopying machines and other office equipments, electronic desk calculators, scillios copes and associated instruments, process control systems, industrial electronics, medical electronic equipments, electro devices, audio record/play back systems, closed circuit T.V., aerospace electronics, geo science electronics, broad casting electronics and for the purpose of foregoing the generality, materials, accessories, components and spare parts thereof.

**To:** To carry on in India or elsewhere the business as manufacturers, wholesalers, retailers, traders, brokers, importers, exporters, suppliers, jobworkers, stockists, distributors, processors and to produce, convert, commercialize, develop, finish, manipulate, maintain, mix, prepare, pack, repack, refine, recondition, treat, press, retread, mould, extrude, mix, regenerate, design, modify turn to account and to deal in all types of rubbers, including synthetic rubber, reclaimed rubber, natural rubber, rubber compounds, sponge rubber, rubber repair materials, rubber combination with any metallic or non-metallic substances, rubber, chemicals, synthetic resins and all types of tyres, semi tyres, inner tubes, flaps, medical and dipper rubber products, rubber tiles, toys rubberized cloth, rubber belts, moulded and extruded products of commercial seats, cushions, pillows, mattresses, stamps, bands, belts, shoes, chappals, their products, by-products, compounds, derivatives, intermediates, residues, consumable, ingredients, raw materials, goods, articles and things.

Other than as mentioned above, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors.

#### **DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY THE PROMOTERS**

As on the date of this Draft Prospectus, no guarantee has been issued by our Promoters.

#### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by key managerial personnel or a Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **COLLABORATION**

Our Company has not entered into any Collaboration as on the date of this Draft Prospectus.

#### **INJUNCTION OR RESTRAINING ORDERS**

There are no injunctions/restraining orders that have been passed against the Company.



## OUR MANAGEMENT

### BOARD OF DIRECTORS DETAILS ARE AS FOLLOWS

In terms of the Articles of Association, our Company is authorised to have directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution, in accordance with the provisions of the Companies Act, 2013. As on the date of this Draft Prospectus, our Board comprises of six (6) Directors, including two (2) Executive Directors, one (1) Non-Executive Director and three (3) Independent Directors.

Set forth below, are details regarding our Board as on the date of this Draft Prospectus:

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship	Other Directorships as on the date of this Draft Prospectus
<b>Baldevbhai Patel</b> <b>Designation:</b> Chairman and Non-Executive Director <b>DIN:</b> 02479686 <b>Date of Birth:</b> June 01, 1961 <b>Age:</b> 61 years <b>Occupation:</b> Business <b>Address:</b> B-4, Hariomnagar Society, Bholav, Bharuch -392001, Gujarat, India. <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> October 31, 2012 <b>Period of Directorship:</b> Since Incorporation, liable to retire by rotation.	<b>Nil</b>
<b>Jayeshkumar Patel</b> <b>Designation:</b> Managing Director <b>DIN:</b> 05007490 <b>Date of Birth:</b> July 05 ,1985 <b>Age:</b> 37 years <b>Occupation:</b> Business <b>Address:</b> B-4 Hariom Nagar Society, Nandewar Road, near R.T.O office, Bholav, Bharuch-392001, Gujarat, India. <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> October 31, 2012 <b>Change in Designation:</b> September 01, 2022 <b>Period of Directorship:</b> Since Incorporation <b>Term:</b> 5 consecutive years with effect from September 01, 2022,	<b>Nil</b>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship	Other Directorships as on the date of this Draft Prospectus
liable to retire by rotation.	
<b>Kalpesh Patel</b> <b>Designation:</b> Whole-Time Director <b>DIN:</b> 06779248 <b>Date of Birth:</b> September 22, 1970 <b>Age:</b> 52 Years <b>Occupation:</b> Business <b>Address:</b> 17, Dharmnath society, Opp. Vakhariyal School, Kalol, Gandhinagar- 382721, Gujarat, India. <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> January 03, 2014 <b>Change in Designation:</b> September 1, 2022 <b>Period of Directorship:</b> Since January 03, 2014 <b>Term:</b> 5 consecutive years with effect from September 1, 2022, liable to retire by rotation.	<b>Nil</b>
<b>Manish Patel</b> <b>Designation:</b> Independent Director <b>DIN:</b> 09568421 <b>Date of Birth:</b> December 12, 1976 <b>Age:</b> 45 Years <b>Occupation:</b> Business <b>Address:</b> 203, Neelkamal Co-Operative Housing Society, Near National School, Anklesvar, Bharuch-393001, Gujarat, India <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> April 15, 2022 <b>Change in Designation:</b> September 30, 2022 <b>Period of Directorship:</b> Since April 15, 2022 <b>Term:</b> 5 consecutive years with effect from April 15, 2022, not liable to retire by rotation.	<b>Nil</b>
<b>Hetalben Patel</b>	<b>Nil</b>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship	Other Directorships as on the date of this Draft Prospectus
<p><b>Designation:</b> Independent Director</p> <p><b>DIN:</b> 09568460</p> <p><b>Date of Birth:</b> August 11, 1990</p> <p><b>Age:</b> 32 years</p> <p><b>Occupation:</b> Software Engineer</p> <p><b>Address:</b> 8/8, Ramji Mandir Street, Shankarpura, Post. Vadasma, Mehsana-382705, Gujarat, India.</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> April 15, 2022</p> <p><b>Change in Designation:</b> September 30, 2022</p> <p><b>Period of Directorship:</b> Since April 15, 2022</p> <p>Terms: 5 consecutive years with effect from April 15, 2022, not liable to retire by rotation.</p>	
<p><b>Mayankkumar Dalsania</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>DIN:</b> 09586616</p> <p><b>Date of Birth:</b> October 13, 1985</p> <p><b>Age:</b> 36 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> C-115/116, Ganesh kunj Society, Dahej Bypass Road, Bharuch-392001, Gujarat, India</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> April 28, 2022</p> <p><b>Change in Designation:</b> September 30, 2022</p> <p><b>Period of Directorship:</b> Since April 28, 2022</p> <p>Term: 5 consecutive years with effect from April 28, 2022, not liable to retire by rotation.</p>	<p><b>Nil</b></p>

### **Brief Biographies of our Directors**

**Baldevbhai Patel**, aged 61 years, is the Chairman and Non- Executive Director of our Company. He is one of the promoters of our Company. He has been associated with our Company since its incorporation as a Director and Promoter. He holds a bachelor of commerce degree from Gujarat University. He has over 10 years of experience in the field of rubber industry and also, he has experience of over 25 years salt industry.

**Jayeshkumar Patel**, aged 37 years, is the Managing Director of our Company. He is one of the promoters of our Company. He has been associated with our Company since its incorporation as a Director and Promoter. He has completed his professional graduation in diploma in business management from London School of Business and Computing, United Kingdom in 2010 and has experience of over 10 years with our Company.

**Kalpesh Patel**, aged 52 years, is the Whole-time director of our Company. He holds a bachelor of commerce from University of Bombay in 1991. He had previously associated in financial market over a period of 10 years. He has been on the board of our Company since January 2014 as a Director.

**Manish Patel**, aged 45 years, is an Independent Director of our Company. He holds a degree of master in commerce from Gujarat University in 2001. Till date he is appointed as managing director in Navsarjan Industrial Co-op Bank Limited. He has more than 10 years of experience in the field of finance.

**Hetalben Patel**, aged 32 years, is an Independent Director of our Company since. She holds the degree in masters in computer science from Ganpat University, Kherva, Mehsana, Gujarat in 2012. She has no past work experience.

**Mayank Dalsania**, aged 36 years, is an Independent Director of our Company. He holds the degree of bachelor of computer application from Gujarat University. He also holds a certificate of postgraduate diploma in business management from NCFE in association with athe, London management. He has more than 14 years of experience in the field of sales marketing. He is till associated with GTPL Broadband Private Limited by as additional general manager.

### **Relationship between our Directors and Key Managerial Personnel**

Except for Baldevbhai Patel, who is the father of Jayeshkumar Patel, none of our Directors are related to each other or to the Key Managerial Personnel of our Company

### **Details of any arrangement or understanding with major shareholders, customers, suppliers or others**

As on the date of this Draft Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers and none of our Directors or members of senior management were appointed pursuant to any arrangement or understanding with any major shareholders, customers, suppliers or others.

### **Service contracts with Directors**

Our Company do not have any service contract with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

### **Borrowing Powers of the Board**

Pursuant to our Article of Association and applicable provision of the Company Act 2013 and pursuant to the special resolution passed by the members at the EGM of the Company held on September 01, 2014, pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act and rules made there under, our Board has been authorized to borrow any sum of money from time to time notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed

the aggregate of the paid up share capital and free reserves of our Company, provided that the total outstanding amount so borrowed shall not any time exceed the limit of Rs. 20 crores.

### **Terms of Appointment & Remuneration to Executive Directors**

#### **Jayeshkumar Patel**

Jayeshkumar Patel was appointed, as our Managing Director with the effect from September 01, 2022 for a period of five (5) years. He shall be paid a remuneration not exceeding Rs. 8,40,000 per annum on cumulative basis for a period of three (3) consecutive years with the effect from September 01, 2022.

#### **Kalpesh Patel**

Kalpesh Patel was appointed as our Whole-Time Director with the effect from September 01, 2022 for a period of five (5) years. He shall be paid a remuneration not exceeding Rs. 4,80,000 per annum on cumulative basis for a period of three (3) consecutive years with the effect from September 01, 2022.

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof)

### **Remuneration paid to Executive Directors during preceding FY 2021-22**

<b>Name of the Directors</b>	<b>Amount (Rs. in lakhs)</b>
Kalpesh Patel	4.80
Jayeshkumar Patel	6.60
<b>Total</b>	<b>11.40</b>

Other than the aforementioned remuneration, our Executive directors is not entitled to any other compensation or benefits.

### **Payment or benefit to Non -Executive Directors and Independent Directors of our Company**

Pursuant to Board resolution dated October 14, 2022 each Non-executive and Independent directors is entitled to receive sitting fees of Rs. 5,000 per month for attending all Board and Committee Meetings. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations. Our Company had no Independent Directors in Financial Year 2022. Hence, no sitting fees or commission was paid by our Company to any Independent Directors in Financial Year 2022.

Further as on the date of this Draft Prospectus, Baldevbhai Patel was not paid any sitting fees or commission for Fiscal 2022 by our Company.

### **Remuneration paid or payable to our Directors by our Subsidiaries**

There is no subsidiary of our Company. Hence, none of the Directors of our Company has been paid any remuneration, including any contingent or deferred compensation accrued for Financial Year 2021-22.

### **Shareholding of Directors in our Company**

As per our AOA, our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as on the date of this draft Prospectus is set forth below:

Name of director	Number of equity shares	Percentage of Pre-Issue Capital (%)
Jayeshkumar Patel	15,17,993	28.15
Baldevbhai Patel	14,24,255	26.42
Kalpesh Patel	5,82,994	10.81
Mayankumar Dalsania	388	Negligible
<b>Total</b>	<b>35,56,630</b>	<b>65.39</b>

**Note:** The husband of Hetalben Patel i.e., Naileshkumar Patel hold 31,000 Equity shares of our Company representing 0.57% of the pre issue paid up capital.

### Confirmations

None of our Directors is or was a Director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Draft Prospectus, during their term of directorship in such company.

None of our Directors is or was, a Director of any listed companies, which has been or were delisted from any stock exchange(s), during their term of directorship in such Company.

None of our Directors have been or was identified as a wilful defaulter or Fraudulent Borrower as defined under SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

### Interest of directors

All our Non-Executive Directors including Independent Director may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles. Our Executive Directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company. The Directors may also be deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer chapter titled

**“Our Management”** on page 161 of this Draft Prospectus. Also, Jayeshkumar Patel is interested in our Company to the extent of use of premise owned by him, as Registered Office of the Company, without any consideration

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Except as stated in the chapters titled **“Business Overview”** and **“Restated Financial Statement”** beginning on pages 138 and 190 of this Draft Prospectus, none of our directors have any interest in the property acquired or proposed to be acquired by our Company.

Except as stated in the chapter titled **“Restated Financial Statement”** beginning on page 190 of this Draft Prospectus, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

As on date of this Draft Prospectus, no loans have been availed by our Directors from our Company.

#### **Payment of benefits (non-salary related)**

Except as disclosed above, no amount or benefit has been paid or given since incorporation or is intended to be paid or given to any of our Directors except the remuneration for services rendered and/or sitting fees as Directors.

#### **Contingent and Deferred Compensation payable to Directors.**

No Director has received or is entitled to any contingent or deferred compensation.

#### **Bonus or profit-sharing plan for the Director**

Our Company does not have any bonus or profit-sharing plan for our Directors.

#### **Changes in the board of directors in the last three (3) years immediately preceding the date of Draft Prospectus.**

There has been no change in the Board of Directors, except as stated below during the last three (3) years preceding the date of Draft Prospectus:

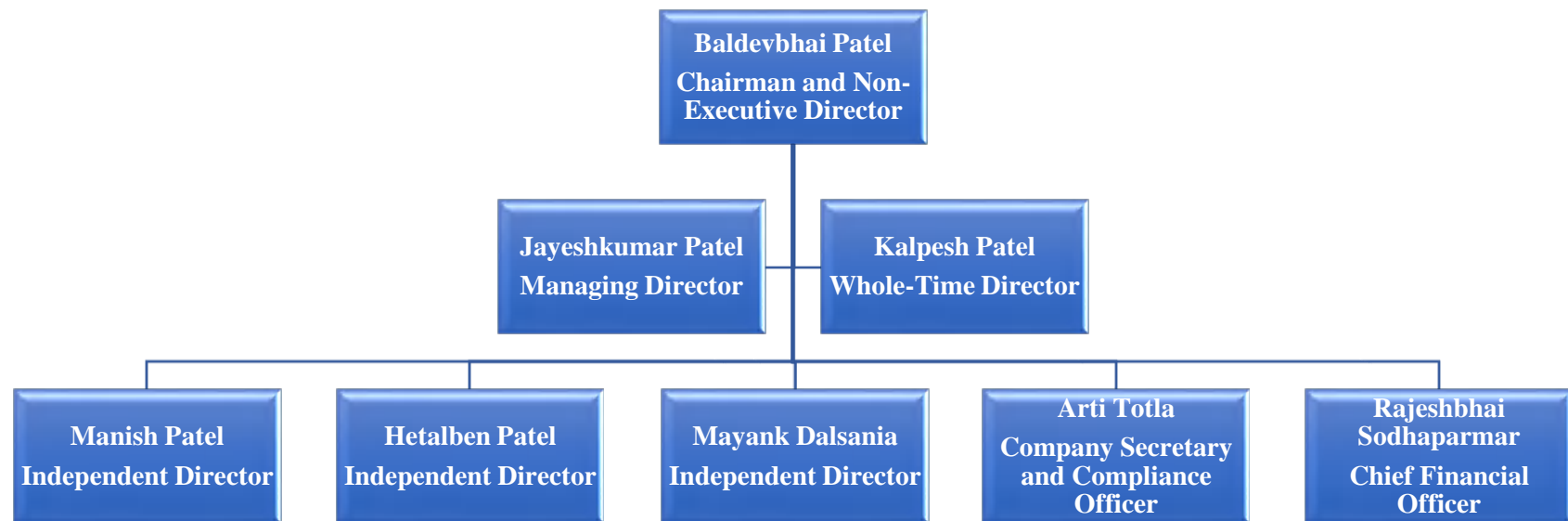
Sr. No	Name	Date	Designation	Reason
1.	Rekhaben Patel	March 03, 2022	Cessation from Directorship	Resignation as Director due to pre occupation in other business
2.	Dakshaben Chauhan	January 15, 2021	Cessation from Directorship	Resignation as Director due to personal reasons
3.	Sadhna Patel	January 01, 2022	Additional Director	Appointment
		September 01, 2022	Cessation from Directorship	Resignation as Director due to personal reasons

Sr. No	Name	Date	Designation	Reason
4.	Kalpesh Patel	September 01, 2022	Whole-Time Director	Change in designation
5.	Jayeshkumar Patel	September 01, 2022	Managing Director	Change in designation
6.	Manish Patel	April 15, 2022	Additional Non-Executive Independent Director	Appointment
		September 01, 2022	Independent Director	Regularisation
7.	Hetaben Patel	April 15, 2022	Additional Non-Executive Independent Director	Appointment
		September 01, 2022	Non-Executive Independent Director	Regularisation
8.	Mayank Dalsania	April 28, 2022	Additional Non-Executive Independent Director	Appointment
		September 01, 2022	Non-Executive Independent Director	Regularisation



## Management Organization Structure

The following chart depicts our Management Organization Structure



## Corporate Governance

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI Listing Regulations to the extent applicable to the entity whose shares are listed on NSE EMERGE and shall be applicable to us immediately upon the listing of our Equity Shares with the NSE EMERGE. We are in compliance with the requirements of the applicable regulations, including SEBI Listing Regulations, SEBI regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report. We have complied with the requirements of the applicable regulations, including Regulations, in respect of Corporate Governance including constitution of the Board and its Committees. The Corporate Governance framework is based on an effective Independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

### Constitutions of Committees

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI Listing Regulations: (i) Audit Committee, (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee

#### (i) Audit Committee

Our Company has constituted an Audit Committee as per Section 177 and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable Clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines vide resolution passed in the meeting of our Board dated October 14, 2022. The constitution of the Audit Committee is as follows:

Name of Director	Position in the Committee	Designation
Manish Patel	Chairman	Independent Non-Executive Director
Hetalben Patel	Member	Independent Non-Executive Director
JayeshBhai Patel	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reason for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

#### Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

### **Meetings of the Committee:**

The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

### **Role and Powers**

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

### **Role of Audit 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) recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- (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 before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the half yearly 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 / Draft Prospectus / Prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (7) review and monitoring the auditor's independence, performance and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of our Company with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of our Company, 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) the Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- (16) 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;
- (17) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (18) the Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board;
- (19) 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;
- (20) 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;
- (21) to review the functioning of the whistle blower mechanism;
- (22) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (23) to oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
- (24) Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings;
- (25) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crores 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;
- (26) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- (27) To investigate any other matters referred to by the Board of Directors; and
- (28) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or containing into SEBI Listing Regulations 2015.

#### **Mandatory review by the Audit Committee**

The Audit Committee will mandatorily review the following:

- (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 the 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 chief internal auditor;
- (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) of SEBI Listing Regulations;
  - (b) annual statement of funds utilized for purposes other than those stated in the Issue document/ Prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

#### **(ii) Nomination and Remuneration Committee**

Our Company has constituted Nomination and Remuneration Committee in terms of Section 178, Schedule V and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on October 14, 2022. The Nomination and Remuneration Committee presently consists of the following Directors of the Board.

Name of Director	Position in the Committee	Designation
Hetalben Patel	Chairman	Independent Non-Executive Director
Manish Patel	Member	Independent Non-Executive Director
Baldevbhai Patel	Member	Non-Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

**Tenure:**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**Meetings:**

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

**Role of Terms of Reference:**

- (1) Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- (2) formulation of criteria to determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
- (3) 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.
  - (a) use the services of 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.
- (4) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (5) devising a policy on diversity of board of directors;

- (6) decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- (7) Determine our Company's policy on specific remuneration package for the Managing Director /Executive Director including pension rights;
- (8) Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- (9) 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;
- (10) 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;
- (11) decide the amount of Commission payable to the Whole Time Directors;
  - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
  - to formulate and administer the Employee Stock Option Scheme; and
- (12) recommend to the Board all remuneration, in whatever form, payable to senior management.

**(iii) Stakeholders Relationship Committee**

Our Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated October 14, 2022. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

Name of Director	Position in the Committee	Designation
Baldevbhai Patel	Chairman	Non-Executive Director
Manish Patel	Member	Independent Non-Executive Director
Mayank Dalsania	Member	Independent Non-Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

**Tenure:**

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

**Meetings:**

The Stakeholders Relationship Committee is required to meet at least once a year and report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

**Terms of Reference:**

Redressal of shareholders' and investors' complaints, including and in respect of:

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

1. Redressal of shareholders' and investors' complaints, including and in respect of:
  - i. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
  - ii. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
  - iii. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
2. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
3. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
4. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
5. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
6. Allotment and listing of shares;
7. Review of measures taken for effective exercise of voting rights by shareholders.
8. 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.
9. 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.
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities and Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
12. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

**Policy on disclosures and internal procedure for prevention of Insider Trading**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. The Board of Directors at their meeting held on October 14, 2022 have approved and adopted the policy for prevention of insider trading.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

## **Policy for determination of materiality & materiality of Related Party Transactions and on dealing with Related Party Transactions**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the Emerge Platform of NSE. The Board of Directors at their meeting held on October 14, 2022 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

## **Our Key Managerial Personnel**

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

### **Brief Profile of Key Managerial Personnel:**

#### **Arti Totla, Company Secretary & Compliance Officer**

**Arti Totla**, aged 28 years, is Company Secretary & Compliance Officer of our Company. She was appointed by our Board of Directors in their meeting held on June 28, 2022. She is an Associate member of the Institute of Company Secretaries of India. She has experience of more than 4 years in the field of Secretarial and Corporate Affairs. She has previously work with Saileela Processors Private Limited as Company Secretary.

#### **Rajeshbhai Sodhaparmar, Chief Financial Officer**

**Rajeshbhai Sodhaparmar**, aged 38 years, is the Chief Financial Officer of our Company. He has been appointed by the Board of Directors of our Company as Chief Financial Officer with effect from September 1, 2022. He holds a Degree of Bachelor of Arts. He has experience of more than 5 years in the field of Accounts and Finance. He has previously work with DHE Heaters Private Limited as accountant.

#### **Jayeshkumar Baldevbhai Patel, Managing Director**

For the complete profile of Jayeshkumar Patel, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see heading ***“Brief Biographies of our Directors”*** in chapter titled ***“Our Management”*** beginning on of page 161 of this Draft Prospectus.

#### **Kalpesh Bhagubhai Patel, Whole-Time Director**

For the complete profile of Kalpesh Patel, along with details of her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see heading ***“Brief Biographies of our Directors”*** in chapter titled ***“Our Management”*** beginning on of page 161 of this Draft Prospectus.

### **Nature of any family relation between any of the key managerial personnel**

None of the Key Managerial Personnel are related to each other or to any of our Directors.

### **Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

As on the date of this Draft Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as a Key Managerial Personnel.

### **Bonus or profit-sharing plan of the Key Managerial Personnel**



Except as disclosed above in “Interest of Directors” with respect to the Executive Directors, none of our Key Managerial Personnel are party to any bonus or profit-sharing plan of our Company.

#### **Payment or Benefits to of Our KMPs (non-salary related)**

No non – salary amount or benefit has been paid or given to any of our Key Managerial Personnel within the two preceding years or is intended to be paid or given

#### **Interest of Key Managerial Personnel**

Other than as disclosed in this section and in “Our Management - Interest of Directors” on page [.] the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Also, Jayeshkumar Patel is interested in our Company to the extent of use of premise owned by him, as Registered Office of the Company, without any consideration. The Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares, if any, held by them in the Company.

#### **Service Contracts with Directors and Key Managerial Personnel**

No officer of our Company, including our Directors and the Key Managerial Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

#### **Contingent and deferred compensation payable to our Director and Key Managerial Personnel**

There is no contingent or deferred compensation accrued for Financial Year 2022 and payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

#### **Compensation paid to Key Managerial Personnel during last financial year i.e. 2021-22**

Arti Totla has been appointed as Company Secretary and Compliance Officer w.e.f June 28, 2022. Hence, she has not received remuneration during preceding Financial Year 2021-22.

Rajeshbhai Sodhaparmar has been appointed as Chief Financial Officer w.e.f September 01, 2022. Hence, he has not received remuneration during preceding Financial Year 2021-22.

#### **Bonus or profit-sharing plan for Key Managerial Personnel**

None of our Key Managerial Personnel are party to any bonus or profit-sharing plan of our Company.

#### **Status of Permanent Employment of KMPs**

All the key managerial personnel mentioned above are permanent employees of our Company.

#### **Shareholding of the Key Managerial Personnel**

Except as disclosed in “Shareholding of Directors in our Company” please refer to the chapter titled “*Capital Structure*” beginning on page 73 of this Draft Prospectus, none of our Key Managerial Personnel hold any Equity Shares in our Company as on the date of this Draft Prospectus

#### **Changes in Key Managerial Personnel during preceding Three (3) Years**

Except as mentioned below, there has been no change in Key Managerial Personnel during the last three (3) years preceding the date of this Draft Prospectus:

Name of KMP	Date of Change in Designation / Appointment	Designation	Reason
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Name of KMP	Date of Change in Designation / Appointment	Designation	Reason
Jayeshkumar Patel	September 01, 2022	Managing Director	Change in Designation
Kalpesh Patel	September 01, 2022	Whole-Time Director	Change in Designation
Rajeshbhai Sodhaparmar	September 01, 2022	Chief Financial Officer	Appointment
Arti Totla	June 28, 2022	Company Secretary & Compliance Officer	Appointment

### **Attrition**

None of our key management personnel attrition rate is high as compared to the industry.

### **Employee Stock Option or Employee Stock Purchase**

As on the date of this Draft Prospectus, our Company does not have any employment stock option scheme.

### **Payment or Benefit to officers of our Company (non-salary related)**

Except as disclosed in this Draft Prospectus other than any statutory payments made by our Company to its KMPs in last three (3) Preceding Financial Years, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.



For further details, please refer to the chapters titled “***Business Overview***”, “***Financial Indebtedness***” and “***Restated Financial Statement***” beginning on pages 138, 236 and 190 respectively of this Draft Prospectus

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTER

Baldevbhai Patel, Jayeshkumar Patel, Kalpesh Patel, Rekhaben Patel, Sadhana Patel and Diksha Patel are the Promoters of our Company. As on the date of this Draft Prospectus, our Promoters holds in aggregate 44,26,412 Equity Shares of face value Rs. 10.00/- each, representing 82.10 % of the issued, subscribed and paid-up Equity Share Capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please refer to the chapters titled "*Capital Structure –Shareholding of our Promoters*" beginning on page no. 73 of this Draft Prospectus.

### BRIEF PROFILE OF OUR PROMOTERS ARE AS FOLLOWS:

<p><b>Baldevbhai Patel</b></p> 	<p><b>Baldevbhai Patel</b>, aged 61 years. He is the Promoter and Chairman of the Company.</p> <p><b>Date of Birth:</b> June 01, 1961</p> <p><b>Address:</b> B-4, Hariomnagar Society, Bholav, Bharuch, -392001, Gujarat, India.</p> <p><b>Permanent Account Number:</b> ADUPP7561N</p> <p>For the complete profile of Baldevbhai Patel along with the details of his experience in the business, educational qualifications, positions / posts held in the past and other directorships, special achievements, business and other activities, please refer to the chapter title "<i>Our Management- Brief profile of our Directors</i>" beginning on page 161 of this Draft Prospectus.</p>
<p><b>Jayeshkumar Patel</b></p> 	<p><b>Jayeshkumar Patel</b>, aged 37 years. He is the Promoter and Managing Director of the Company.</p> <p><b>Date of Birth:</b> July 05 ,1985</p> <p><b>Address:</b> B-4 Hariom Nagar Society, Nandewar Road near R.T.O office, Bholav, Bharuch-392001, Gujarat, India.</p> <p><b>Permanent Account Number:</b> AYOPP2809G</p> <p>For the complete profile of Jayeshkumar Patel along with the details of his experience in the business, educational qualifications, positions / posts held in the past and other directorships, special achievements, business and other activities, please refer to the chapter title "<i>Our Management- Brief profile of our Directors</i>" beginning on page 161 of this Draft Prospectus.</p>

**Kalpesh Patel**



**Kalpesh Patel**, aged 52 years. He is the Promoter and Whole-time Director of the Company.

**Date of Birth:** September 22 ,1970

**Address:** 17, Dharmnath society, Opp. Vakhariya School, Kalol, Gandhinagar- 382721, Gujarat, India.

**Permanent Account Number:** AFIPP4819H

For the complete profile of Kalpesh Patel along with the details of his experience in the business, educational qualifications, positions / posts held in the past and other directorships, special achievements, business and other activities, please refer to the chapter title “*Our Management - Brief profile of our Directors*” beginning on page 161 of this Draft Prospectus.

**Rekhaben Patel**





**Rekhaben Patel**, aged 58 years. She is the Promoter of the Company. She holds a degree of bachelor of commerce from Gujarat University.

**Date of Birth:** June 01, 1964

**Address:** B-4, Hariomnagar Society, Bholav, Bharuch, -392001, Gujarat, India

**Permanent Account Number:** ANBPP0664M

**Directorship:** Yes Salt Private Limited

<p><b>Sadhana Patel</b></p> 	<p><b>Sadhana Patel</b>, aged 33 years. She is the Promoter of the Company. She holds a degree in master of science (Information Technology) from Kadi Sarva Vishwavidyalaya, a University established under Gujrat State Act. She has been appointed as director in our Company from January 4, 2022 to September 1, 2022.</p> <p><b>Date of Birth:</b> August 03 ,1989</p> <p><b>Address:</b> B-4 Hariom Nagar Society, Nandewar Road, near R.T.O office, Bholav, Bharuch-392001, Gujarat, India.</p> <p><b>Permanent Account Number:</b> CBWPP2925G</p> <p><b>Directorship:</b> NA</p>
<p><b>Diksha Patel</b></p> 	<p><b>Diksha Patel</b>, aged 48 years. She is the Promoter of the Company. She has completed PTC (Primary Teachers Certificate) from Gujarat Board. She is working as primary teacher in government primary school.</p> <p><b>Date of Birth:</b> September 03, 1974</p> <p><b>Address:</b> 17, Dharmnath society, Opp. technical School, Kalol, Gandhinagar- 382721, Gujarat, India.</p> <p><b>Permanent Account Number:</b> AQTPP4041M</p> <p><b>Directorship:</b> As on date of Draft Prospectus, she does not hold DIN number.</p>

## DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number(s) of our Promoters shall be submitted to the Stock Exchange at the time of filing this Draft Prospectus. As on the date of this Draft Prospectus, our Promoters Rekhaben Patel and Diksha Patel do not hold a Driving License.

Our Promoters have confirmed that they have not been identified as wilful defaulters or fraudulent borrower by the RBI or any other governmental authority.

Our Promoters has not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or is currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in the chapters titled ***“Our Promoter and Promoter Group”*** beginning on page 179 of this Draft Prospectus, our Promoters are not involved in any other ventures.

#### **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled ***“Our Management”*** beginning on page 161 of this Draft Prospectus.

#### **CHANGE IN MANAGEMENT AND CONTROL OF OUR COMPANY**

Our Promoters are the Original Promoters of the Company and there has not been any change in the management or control of our Company in the five years immediately preceding the date of this Draft Prospectus.

For further details, please refer to the chapter titled ***“Capital Structure - Details of shareholding of our Promoter and members of the Promoter Group in our Company”***, beginning on page 73 of this Draft Prospectus. There has been no change in control in the last five years preceding the date of this Draft Prospectus.

#### **INTEREST OF PROMOTERS**

Our Promoters is interested in our Company to the extent (1) that they have promoted our Company; (2) of their respective shareholding, the shareholding of their relatives and entities in which the Promoters are interested and which hold Equity Shares in our Company and the dividend payable upon such shareholding, if any, and other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; (3) employment related benefits paid by our Company i.e. remuneration and reimbursement of expenses payable to them in such capacity of Directors and Key Managerial Personnel of our Company; and (4) personal guarantees and mortgage given by Baldevbhai Patel, Promoter of his flat for securing the loans availed by the Company. For further details, please refer to the heading ***“Summary of Related Party Transactions”*** in chapter titled ***“Summary of Offer Document”***, ***“Capital Structure”***, ***“History and Certain Corporate Matters”*** and ***“Financial Indebtedness”*** beginning on pages 24, 73, 156 and 236, respectively of this Draft Prospectus.

##### **Interest in the properties of our Company**

Except as mentioned in the chapters titled ***“Business Overview”***, ***“Our Management”*** and ***“Restated Financial Statement”*** beginning on pages 138, 161 and 190 respectively of this Draft Prospectus, neither the Promoters nor any member of the Promoter group have any interest in any property acquired by or proposed to be acquired by our Company since incorporation.

##### **Interest of Promoters in the Promotion of our Company**

Our Company is promoted by the Promoters in order to carry on its business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

##### ***Business Interest***

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the personal guarantee given by our Promoter other than in the normal course of business. For further details, please refer to heading ***“Related Party Transactions”*** in the chapter titled ***“Restated Financial Statements”*** beginning on page 190 of this Draft Prospectus.

##### **Interest of our Promoters in the property of our Company**

Our Promoters have no interest in any property acquired in the three years preceding the date of the Draft Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

**Interest of Promoter in acquisition of land, construction of building and supply of machinery, etc**

As on the date of filing of the Draft Prospectus, our Promoters are not interested in any transaction for acquisition of land, construction of buildings and supply of machinery.

**COMMON PURSUITS OF OUR PROMOTERS**

Our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

**PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in the Chapter titled “*Restated Financial Statements*” and “*Our Management*” beginning on page 190 and 161 of this Draft Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Prospectus.

**MATERIAL GUARANTEES**

Our Promoters have not given any material guarantees to any third parties with respect to Equity shares as on the date of this Draft Prospectus.

**COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE (3) YEARS**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus

**OUR PROMOTER GROUP**

Our Promoters Group in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations 2018, are as under:

**A. *The natural persons who are part of the Promoter Group (due to their relationships with our Promoter), other than our Promoter, are as follows:***

Relationship with Promoter	Baldevbhai Patel
<b>Father</b>	Late Hargovinddas Patel
<b>Mother</b>	Gangaben Hargovanbhai Patel
<b>Brother</b>	Vishnubhai Hargovinddas Patel
<b>Sister</b>	Chadrikabahen Rajeshkumar Patel
<b>Spouse</b>	Rekhaben Patel
<b>Son</b>	Jayeshkumar Patel
<b>Son-in-law</b>	Pareshkumar Ganeshdas Patel
<b>Daughter</b>	Ankita Pareshkumar Patel
<b>Daughter in-law</b>	Sadhana Patel
<b>Spouse’s Father</b>	Late Maganlal Patel
<b>Spouse’s Mother</b>	Late Joyatiben Maganlal Patel



Relationship with Promoter	Baldevbhai Patel
Spouse's Brother	Vishnubhai Maganlal Patel
	Kanubhai Maganlal Patel
	Late Dashratbhai Mangalal Patel
Spouse's Sister	Shardaben Bhagubhai Patel
	Bhartiben Jayantibhai Patel <sup>#</sup>

*# Bhartiben Jayantibhai Patel is resident of Canada*

Relationship with Promoter	Jayeshkumar Patel
Father	Baldevbhai Patel
Mother	Rekhaben Patel
Brother	-
Sister	Ankitaben Pareshkumar Patel
Spouse	Sadhana Patel
Son	Sadhya Jayeshkumar Patel*
Son-in-law	-
Daughter	Hreem Jayeshkumar Patel*
Daughter in-law	-
Spouse's Father	Mahendra Kumar Tulsidas Patel <sup>#</sup>
Spouse's Mother	Bhagwatiben Mahendrabhai Patel <sup>#</sup>
Spouse's Brother	Ravindrabhai Mahendrabhai Patel <sup>#</sup>
Spouse's Sister	-

*# Ravindrabhai Mahendrabhai Patel, Mahendra Kumar Tulsidas Patel and Bhagwatiben Mahendrabhai Patel are resident of New York State*

*\* Sadhya Jayeshkumar Patel and Hreem Jayeshkumar Patel are minor, not holding PAN card.*

Relationship with Promoter	Kalpesh Patel
Father	Bhagubhai Somnath Patel
Mother	Shardaben Bhagubhai Patel
Brother	Piyushkumar Bhagubhai Patel



Relationship with Promoter	Kalpesh Patel
	Jayeshbkumar Bhagubhai Patel
<b>Sister</b>	Smitaben Sandipkumar Patel
<b>Spouse</b>	Diksha Patel
<b>Son</b>	Dhyan Kalpeshbai Patel
<b>Son-in-law</b>	Kishankumar Vijaykumar Patel
<b>Daughter</b>	Aastha Kishankumar Patel
<b>Daughter in-law</b>	-
<b>Spouse's Father</b>	Prahladbhai Manilal Patel
<b>Spouse's Mother</b>	Amthiben Prahladbhai Patel
<b>Spouse's Brother</b>	Harekrushna Prahladbhai Patel
<b>Spouse's Sister</b>	Jayaben Vijaybhai Patel

Relationship with Promoter	Rekhaben Patel
<b>Father</b>	Late Maganlal Patel
<b>Mother</b>	Late Joyatiben Maganlal Patel
<b>Brother</b>	Vishnubhai Maganlal Patel
	Kanubhai Maganlal Patel
	Late Dashratbhai Manganlal Patel
<b>Sister</b>	Shardaben Bhagubhai Patel
	Bhartiben Jayantibhai Patel <sup>#</sup>
<b>Spouse</b>	Baldevbhai Patel
<b>Son</b>	Jayeshkumar Patel
<b>Son-in-law</b>	Pareshkumar Ganeshdas Patel
<b>Daughter</b>	Ankitaben Pareshkumar Patel
<b>Daughter in-law</b>	Sadhana Patel
<b>Spouse's Father</b>	Late Hargovandas Vitthaladas Patel

Relationship with Promoter	Rekhaben Patel
<b>Spouse's Mother</b>	Gangaben Hargovanbhai Patel
<b>Spouse's Brother</b>	Vishnubhai Hargovinddas Patel
<b>Spouse's Sister</b>	Chadrikababen Rajeshkumar Patel

# Bhartiben Jayantibhai Patel is resident of Canada

Relationship with Promoter	Sadhana Patel
<b>Father</b>	Mahendrakumar Tulsidas Patel <sup>#</sup>
<b>Mother</b>	Bhagwatiben Mahendrabhai Patel <sup>#</sup>
<b>Brother</b>	Ravindrabhai Mahendrakumar Patel <sup>#</sup>
<b>Sister</b>	-
<b>Spouse</b>	Jayeshkumar Patel
<b>Son</b>	Sadhya Jayeshkumar Patel*
<b>Son-in-law</b>	-
<b>Daughter</b>	Hreem Jayeshkumar Patel*
<b>Daughter in-law</b>	-
<b>Spouse's Father</b>	Baldevbhai Patel
<b>Spouse's Mother</b>	Rekhaben Patel
<b>Spouse's Brother</b>	-
<b>Spouse's Sister</b>	Ankitaben Pareshkumar Patel

# Ravindrabhai Mahendrabhai Patel, Mahendra Kumar Tulsidas Patel and Bhagwatiben Mahendrabhai Patel are resident of New York State

\* Sadhya Jayeshkumar Patel and Hreem Jayeshkumar Patel are minor, not holding PAN card.

Relationship with Promoter	Diksha Patel
<b>Father</b>	Prahladbhai Manilal Patel
<b>Mother</b>	Amthiben Prahladbhai Patel
<b>Brother</b>	Harekrushna Prahladbhai Patel
<b>Sister</b>	Jayaben Vijaybhai Patel
<b>Spouse</b>	Kalpesh Patel

Relationship with Promoter	Diksha Patel
<b>Son</b>	Dhyan Kalpeshbai Patel
<b>Son-in-law</b>	Kishankumar Vijaykumar Patel
<b>Daughter</b>	Aastha Kishankumar Patel
<b>Daughter in-law</b>	-
<b>Spouse's Father</b>	Bhagubhai Somnath Patel
<b>Spouse's Mother</b>	Shardaben Bhagubhai Patel
<b>Spouse's Brother</b>	Piyushbhai Bhagubhai Patel
	Jayeshbkumar Bhagubhai Patel
<b>Spouse's Sister</b>	Smitaben Sandipbhai Patel

***B. Our Promoter Group as defined under Regulation 2(1)(pp) of SEBI ICDR Regulations 2018 includes entities, companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:***

Lead Importers LLP

Uma Roadways

Vijay Laxmi Pump Industries

Gurukrupa Tubewell Company

Gurukrupa Roofing Industries

Yes Salt Private Limited

Patel Roadways

Jayeshkumar Baldevbhai Patel HUF

Aone Corporation

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the terms “**group companies**”, *includes (i) such companies (other than promoter and Subsidiaries with which the relevant issuer company had related party transactions, had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the issuer company.*

Accordingly, for (i) above, all such companies (other than the Promoters) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as ‘Group Companies’ of the Company in terms of the SEBI ICDR Regulations.

Further, for (ii) above, the Board pursuant to the Materiality Policy, has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered “material” and will be disclosed as a ‘group company’ in the offer documents, and the Company has entered into one or more transactions with such company during the last completed Financial year (or relevant sub period, if applicable), which individually or cumulatively in value exceeds 10% of the Revenue of the Company for the last completed Financial as per the Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Draft Prospectus, our Company does not have any group companies.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The declaration of dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company and any other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please refer chapter titled “*Financial Indebtedness*” beginning on page 236 of this Draft Prospectus.

All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Dividend Distribution Policy as on the date of this Draft Prospectus since the requirements under Regulation 43A of SEBI Listing Regulations are not applicable to the Company. However, depending upon the availability of distributable profits and fund flow, dividends maybe recommended by the Board of Directors and shall pay dividends in accordance with the provisions of the Companies Act, 2013, the Memorandum of Association and Articles of Association and other Applicable Laws.

**Our Company has not declared and/or paid any dividend on the Equity Shares since incorporation.**

**SECTION VI – FINANCIAL STATEMENTS**

**RESTATED FINANCIAL STATEMENT**

*[The Remainder of this Page has intentionally been left blank]*

## INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS

To,  
The Board of Directors,  
Lead Reclaim and Rubber Products Limited

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Lead Reclaim and Rubber Products Limited**, comprising the Restated Assets and Liabilities as at September 30, 2022, March 31 2022, March 31 2021 and March 31 2020, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of changes in Equity, the Restated Cash Flow Statement for the year/period ended September 30, 2022, March 31 2022, 2021 and 2020, the Summary statement of Significant Accounting Policies and other explanatory information (Collectively the Restated Financial Information as approved by the Board of Directors of the Company for the purpose of inclusion in the Draft Prospectus / Red / Prospectus, prepared by the company in connection with its proposed SME Initial Public Offer of equity shares (IPO) prepared in terms of the requirements of :
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended from time to time ("the Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of Restated Financial Information for the purpose of inclusion in the DRHP / RHP / Prospectus to be filled with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Gujarat in connection with the proposed SME IPO. The Restated Financial Information have been prepared by the management of the company on the basis of preparation stated in notes to the Restated Financial Information. Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. Management is also responsible for identifying and ensuring that the Company complies with the Companies Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with the company in accordance with our engagement letter in connection with the proposed SME IPO of equity shares of the Company;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI; and
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the company for the year/period ended on September 30, 2022, March 31 2022, March 31 2021 and March 31 2020 which have been approved by Board of directors.
5. In accordance with the requirements of Act, SEBI ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
  - a) The “Restated Statement of Assets and Liabilities” as set out in Annexure 1 to this report, of the Company as at September 30, 2022, March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure 4(A) to this Report.
  - b) The “Restated Statement of Profit and Loss” as set out in Annexure 2 to this report, of the Company for financial year/ period ended on September 30, 2022, March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure 4(A) to this Report.
  - c) The “Restated Statement of Cash Flow” as set out in Annexure 3 to this report, of the Company for financial year/period ended on September 30, 2022, March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure 4(A) to this Report.
6. Based on the above and also as per the reliance placed by us on the audited financial statements of the company and auditor’s report thereon which have been prepared by Statutory Auditor of the Company for the financial year/period ended on September 30, 2022, March 31, 2022, 2021 and 2020, we are of the opinion that The Restated Financial Statements or Restated Summary Statements have been made after incorporating:
  - a) Adjustments for the changes in accounting policies and regrouping/reclassification retrospectively in respective financial period / years to reflect the same accounting treatment as per the changed accounting policy for all reporting period if any;
  - b) Adjustment for any material amounts in the respective financial years have been made to which they relate;
  - c) They do not contains any extra-ordinary items that needs to be disclosed separately except as shown in the Restated Financial Information;
  - d) There are no revaluation reserves, which needs to be disclosed separately in the Restated Financial Statement.



- e) There are no qualifications in the Audit Report issued by us for the financial year/period ended on September 30, 2022, March 31, 2022, 2021 and 2020 which would require adjustments in this Restated Financial Statement of the Company.
  - f) The Company has not paid dividend on its equity shares during the reporting period.
7. We have also examined the following Restated financial information of the Company set out in the Annexure as prepared by the management and approved by the Board of Directors on of the company for the financial year/period ended September 30, 2022, March 31 2022, March 31 2021 and March 31 2020 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed SME IPO:
- Annexure – 4(A): Significant Accounting Policies and Notes to Accounts as restated
  - Annexure – 4(B): Reconciliation of Restated Profit & Audit Profit
  - Annexure – 4(C): Reconciliation of Restated Equity / Net-worth
  - Annexure - 5: Restated Statement of Share Capital
  - Annexure - 6: Restated Statement of Reserves & Surplus
  - Annexure - 7: Restated Statement of Long-term Borrowings
  - Annexure - 8: Restated Statement of Long-Term Provisions
  - Annexure - 9: Restated Statement of Short-term Borrowings
  - Annexure - 10: Restated Statement of Trade Payables
  - Annexure - 11: Restated Statement of Other Current Liabilities
  - Annexure - 12: Restated Statement of Short-Term Provisions
  - Annexure - 13: Restated Statement of Tangible Assets
  - Annexure - 14: Restated Statement of Deferred Tax Asset (Net)
  - Annexure - 15: Long term Loans and Advances
  - Annexure - 16: Restated Statement of Inventories
  - Annexure - 17: Restated Statement of Trade Receivables
  - Annexure - 18: Restated Statement of Cash and Cash Equivalents
  - Annexure - 19: Restated Statement of Short-term loans and advances
  - Annexure - 20: Restated Statement of Other Current Assets
  - Annexure - 21: Restated Statement of Revenue from Operations
  - Annexure - 22: Restated Statement of Other Income
  - Annexure - 23: Restated Statement of Cost of Material Consumed
  - Annexure - 24: Restated Statement of Purchase of Stock-in-Trade
  - Annexure-25: Restated Statement of Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade.
  - Annexure - 26: Restated Statement of Employee Benefit Expenses
  - Annexure - 27: Restated Statement of Finance Cost
  - Annexure - 28: Restated Statement of Depreciation and Amortization Expense
  - Annexure - 29: Restated Statement of Other Expenses
  - Annexure - 30: Restated Statement of Deferred Tax
  - Annexure - 31: Restated Statement of Contingent Liabilities
  - Annexure - 32: Restated Statement of Accounting Ratios
  - Annexure - 33: Restated Statement of Related Party Transactions
  - Annexure - 34: Restated Statement of Capitalization

Annexure - 35: Restated Statement Tax Shelter

8. This report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by us or any other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
11. Our report is intended solely for use of the management for inclusion in the Draft Prospectus/Prospectus to be filed with the Securities and Exchange Board of India, relevant Stock Exchange and Registrar of Companies, Gujarat in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
12. In our opinion, the above financial information contained in Annexure 1 to 35 and read along with the Restated Statement of Significant Accounting Policies and Notes as set out in Annexure 4(A) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI ICDR Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
13. We, S D P M & Co., Chartered Accountants have been subjected to peer review process of the Institute of Chartered Accountant of India (ICAI) and hold a valid peer review certificate No.-012411 dated 15/10/2020 issued by the "Peer Review Board" of the ICAI.

**Date: 05/11/2022**

**Place: Ahmedabad**

**For S D P M & Co.**

**(Formerly known as Sunil Dad & Co.)**

**Chartered Accountants**

**FRN: 126741W**

**Malay Pandit**

**Partner**

**M.No. 046482**

**UDIN: 22046482BCFGFH5763**

**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**  
Annexure - 1 : Restated Statement of Assets and Liabilities

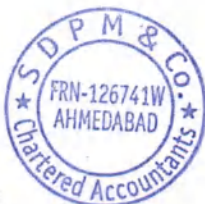
(Amount Rs. In Lakhs)

Particulars	Annex. No.	As At 30th September, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>I. Equity and Liabilities</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	5	313.85	221.65	20.15	20.15
(b) Reserve & Surplus	6	241.78	67.92	20.05	-2.68
(c) Money received against share warrants		0.00	0.00	0.00	0.00
<b>(2) Share application money pending allotment</b>		0.00	0.00	0.00	0.00
<b>(3) Non-current Liabilities</b>					
(a) Long term borrowings	7	16.38	3.49	364.49	362.56
(b) Deferred tax liabilities (Net)		0.00	0.00	0.00	0.00
(c) Other long term liabilities		0.00	0.00	0.00	0.00
(d) Long term provisions	8	2.61	2.17	1.30	0.71
<b>(4) Current Liabilities</b>					
(a) Short term borrowings	9	255.00	265.81	30.18	14.69
(b) Trade payables	10				
(A) Total outstanding dues of micro and small enterprises		0.62	1.97	2.71	2.26
(B) Total outstanding dues of creditors other than micro and small enterprise		111.26	87.61	97.92	102.20
(c) Other current liabilities	11	25.29	35.85	55.96	30.03
(d) Short term provisions	12	27.86	17.83	2.11	2.54
<b>Total</b>		<b>994.65</b>	<b>704.32</b>	<b>594.88</b>	<b>532.45</b>
<b>II. Assets</b>					
<b>(1) Non-current Assets</b>					
(a) Property, Plant and Equipment and Intangible assets					
(i) Property, Plant and Equipment	13	297.21	283.20	278.54	304.59
(ii) Intangible assets		45.44	0.00	0.00	0.00
(iii) Capital WIP		0.00	0.00	0.00	0.00
(iv) Intangible assets under development		0.00	0.00	0.00	0.00
(b) Non-current investments		0.00	0.00	0.00	0.00
(c) Deferred tax assets (net)	14	5.18	5.53	9.97	39.32
(d) Long term loans and advances	15	26.55	26.55	26.55	26.35
(e) Other non-current assets		0.00	0.00	0.00	0.00
<b>(2) Current Assets</b>					
(a) Current investments		0.00	0.00	0.00	0.00
(b) Inventories	16	262.63	183.60	108.31	79.65
(c) Trade receivables	17	55.24	41.15	91.30	57.28
(d) Cash and cash equivalents	18	19.47	18.23	38.57	7.87
(e) Short-term loans and advances	19	273.77	132.38	31.79	15.15
(f) Other current assets	20	9.17	13.68	9.85	2.25
<b>Total</b>		<b>994.65</b>	<b>704.32</b>	<b>594.88</b>	<b>532.45</b>
Significant Accounting Policies	4A				
Reconciliation of Restated Profit & Audit Profit	4B				
Notes forming part of the Financial Statement	5 to 35				

As per our report of even date

For S D P M & Co.  
(Formerly known as Sunil Dad & Co.)  
Chartered Accountants  
Firm Regd. No. 126741W

Malay Pandit  
Partner  
M.No.- 046482  
UDIN - 22046482BCFGH5763



Ahmedabad, 05th November, 2022

For and on behalf of Board of Directors  
Lead Reclaim and Rubber Products Limited

Baldevbhai Patel  
Chairman - Non Executive Director  
DIN : 02479686

Arti Tolla  
Company Secretary  
PAN : BPKPA0912D  
Ahmedabad, 05th November, 2022

Jayesh Patel  
Managing Director  
DIN : 05007490

Rajeshbhai Sodhaparmar  
Chief Financial Officer  
PAN : CKGPS0152M



# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## Annexure - 2 : Restated Statement of Profit and Loss

(Amount Rs. In Lakhs)

Particulars	Annex No	Sep-22	2021-22	2020-21	2019-20
I. Revenue from operations:	21	492.39	1,030.09	703.50	477.31
II. Other income:	22	6.60	6.84	2.76	6.35
<b>III. Total Income (I + II)</b>		<b>498.99</b>	<b>1,036.93</b>	<b>706.26</b>	<b>483.67</b>
<b>IV. Expenses:</b>					
Cost of material consumed	23	344.54	621.37	351.20	221.43
Purchases of Stock-in-Trade	24	12.86	0.00	0.50	0.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	-93.66	-26.36	9.78	-4.82
Employee benefit expense	26	27.61	47.69	27.49	15.30
Finance Costs	27	10.21	21.40	31.77	29.07
Depreciation and Amortization Expense	28	17.73	35.97	36.33	41.89
Other Expenses	29	131.63	270.53	197.09	137.65
<b>Total Expenses (IV)</b>		<b>450.91</b>	<b>970.60</b>	<b>654.17</b>	<b>440.52</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	<b>48.08</b>	<b>66.33</b>	<b>52.09</b>	<b>43.15</b>
VI. Exceptional Items		0.00	0.00	0.00	0.00
VII. Profit before extraordinary items and tax	(V - VI)	<b>48.08</b>	<b>66.33</b>	<b>52.09</b>	<b>43.15</b>
VIII. Extraordinary Items		0.00	0.00	0.00	0.00
IX. Profit before tax	(VII - VIII)	<b>48.08</b>	<b>66.33</b>	<b>52.09</b>	<b>43.15</b>
X. Tax Expense:					
(1) Current Tax		12.17	14.03	0.00	0.00
(2) Deferred Tax	30	0.35	4.43	29.35	0.36
(3) Short/(Excess) Provision of Income Tax of Earlier Years		0.00	0.00	0.00	6.42
XI. Profit(Loss) from the period from continuing operations	(IX-X)	<b>35.55</b>	<b>47.87</b>	<b>22.74</b>	<b>36.36</b>
XII. Profit/(Loss) from discontinuing operations		0.00	0.00	0.00	0.00
XIII. Tax expense of discontinuing operations		0.00	0.00	0.00	0.00
XIV. Profit/(Loss) from discontinuing operations after tax	(XII - XIII)	0.00	0.00	0.00	0.00
XV. Profit/(Loss) for the period	(XI + XIV)	<b>35.55</b>	<b>47.87</b>	<b>22.74</b>	<b>36.36</b>
XVI. Earning Per Equity Share:					
(1) Basic		<b>0.88</b>	<b>3.00</b>	<b>7.28</b>	<b>11.64</b>
(2) Diluted		<b>0.88</b>	<b>3.00</b>	<b>7.28</b>	<b>11.64</b>
Significant Accounting Policies	4A				
Reconciliation of Restated Profit & Audit Profit	4B				
Notes forming part of the Financial Statement	5 to 35				

As per our report of even date

For S D P M & Co.  
(Formerly known as Sunil Dad & Co.)  
Chartered Accountants  
Firm Regd. No. 126741W

Malay Pandit  
Partner  
M.No.- 046482  
UDIN - 22046482BCFGFH5763

Ahmedabad, 05th November, 2022



For and on behalf of Board of Directors  
Lead Reclaim and Rubber Products Limited

Baldevbhai Patel  
Chairman - Non Executive Director  
DIN : 02479686

Arti Tolla  
Company Secretary  
PAN : BPKPA0912D  
Ahmedabad, 05th November, 2022

Jayesh Patel  
Managing Director  
DIN : 05007490

Rajeshbhai Sodhaparmar  
Chief Financial Officer  
PAN : CKGPS0152M



# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## Annexure - 3 : Restated Statement of Cash Flow

(Amount Rs. In Lakhs)

Particulars	As At 30th September, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>(A) Cash Flow from Operating Activities</b>				
<b>Restated Net Profit Before Tax and Extraordinary items</b>	48.08	66.33	52.09	43.15
<u>Adjustments For:</u>				
Gratuity Provision	0.00	0.00	0.00	0.00
(Interest Received)	-6.60	-6.84	-2.76	-6.35
Income-tax/Prior Year Adjustment	0.00	0.00	0.00	0.00
(Profit on sale of fixed assets)	0.00	0.00	0.00	0.00
Interest and Finance Charges Paid	10.21	21.40	31.77	29.07
Depreciation	17.73	35.97	36.33	41.89
<b>Operating profit before working capital changes</b>	69.42	116.85	117.43	107.76
<u>Changes in Working Capital</u>				
(Increase)/Decrease in Trade Receivables	-14.09	50.15	-34.02	3.40
(Increase)/Decrease in Inventories	-79.02	-75.29	-28.66	-11.10
(Increase)/Decrease in Short Term Loans and Advances	-141.39	-100.59	-16.64	-8.59
(Increase)/Decrease in Long Term Loans and Advances	0.00	0.00	0.00	0.00
(Increase)/Decrease in Other Current Assets	4.51	-3.83	-7.61	-1.14
(Increase)/Decrease in Other Non-current Assets	0.00	0.00	0.00	-6.15
Increase/(Decrease) in Long Term Provisions	0.43	0.87	0.59	0.71
Increase/(Decrease) in Trade Payables	22.30	-11.05	-3.82	11.82
Increase/(Decrease) in other Current liabilities	-10.56	-20.11	25.93	-27.48
Increase/(Decrease) in Short Term Provisions	-2.14	1.69	-0.43	1.13
<b>Cash Generated from / (used in) operating activities</b>	-150.54	-41.31	52.77	70.35
<b>Less : Income Tax paid</b>	0.00	0.00	0.00	0.00
<b>Cash Flow before extraordinary items</b>	-150.54	-41.31	52.77	70.35
<b>Extraordinary items</b>	0.00	0.00	0.00	0.00
<b>Net cash generated from / (used in) Operating Activities.....A</b>	-150.54	-41.31	52.77	70.35
<b>(B) Cash Flow from Investing Activities</b>				
Movement in Loans & advances	0.00	0.00	-0.20	0.00
Interest Received	6.60	6.84	2.76	6.35
(Purchase) of Tangible Fixed Assets	-77.16	-40.62	-10.28	-5.87
Sale of Tangible Fixed Assets	0.00	0.00	0.00	0.00
<b>Net cash generated from / (used in) Investing Activities.....B</b>	-70.56	-33.78	-7.72	0.49
<b>(C) Cash Flow from financing Activities</b>				
Increase/(Decrease) in Share Capital	230.50	201.50	0.00	0.00
Increase/(Decrease) in Short Term Borrowings	-10.82	235.63	15.49	-189.79
Increase/(Decrease) in Long Term Borrowings	12.89	-361.00	1.94	138.63
Interest and Finance Charges Paid	-10.21	-21.40	-31.77	-29.07
Dividend & tax thereon	0.00	0.00	0.00	0.00
Increase/(Decrease) in Share Application Money	0.00	0.00	0.00	0.00
<b>Net cash generated from / (used in) Financing Activities.....C</b>	222.35	54.74	-14.35	-80.24
<b>Net increase in cash and cash equivalents (A+B+C)</b>	1.25	-20.35	30.71	-9.40
<b>Cash and cash equivalents at the beginning</b>	18.23	38.57	7.87	17.27
<b>Cash and cash equivalents at the end</b>	<b>19.47</b>	<b>18.23</b>	<b>38.57</b>	<b>7.87</b>

### Notes :-

1) Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.



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J B Patel

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2) Figures in brackets represents outflows.

3) The above statement should be read with the restated statement of assets and liabilities, statement of profit and loss, Significant Accounting Policies and Notes as appearing in Annexure 1, 2 and 4(A) respectively

For S D P M & Co.  
(Formerly known as Sunil Dad & Co.)  
Chartered Accountants  
Firm Regd. No. 126741W



Malay Pandit  
Partner  
M.No.- 046482  
UDIN - 22046482BCFGFH5763

Ahmedabad, 05th November, 2022

For and on behalf of Board of Directors  
Lead Reclaim and Rubber Products Limited

*B. Patel*  
Baldevbhai Patel  
Chairman - Non Executive Director  
DIN : 02479686

*Arti Tolla*  
Arti Tolla  
Company Secretary  
PAN : BPKPA0912D  
Ahmedabad, 05th November, 2022

*J B Patel*  
Jayesh Patel  
Managing Director  
DIN : 05007490

*Rajeshbhai Sodhaparmar*  
Rajeshbhai Sodhaparmar  
Chief Financial Officer  
PAN : CKGPS0152M





**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**

**Annexure 4(A): Significant Accounting Policies and Notes to Accounts as Restated**

**(A) Corporate Information**

Company was originally incorporated on October 31, 2012 as "Lead Amber Microtech Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Ahmedabad, Gujarat. Name of company was changed Lead Amber Microtech Limited to Lead Reclaim and Rubber Products Limited. Registration certificate pursuant to name change has been issued on December 31, 2013.

The Company is primarily engaged in the business of manufacturing of reclaimed rubber.

**(B) Basis of Preparation of Financial Statement**

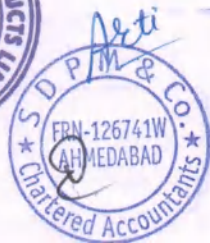
The Restated Statement of Assets and Liabilities of the Company as on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the financial year/period ended on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 and the annexure thereto (collectively, the "Restated Financial Statements") have been compiled by the management from the Financial Statements of the Company for the financial year/period ended on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(C) Significant Accounting Policies**

**1) Use of Estimates:**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the



*B. Patel*

*J. B. Patel*

*Rajesh*

financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the use-full lives of fixed tangible assets and intangible assets. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## 2) Fixed Assets & Depreciation:

All items of fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred

Depreciation on fixed assets is provided as per WDV method based on the useful life of various assets, as specified in Schedule II of the Companies Act, 2013. Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has revised depreciation rates on tangible fixed assets as per useful life specified in Part 'C' of Schedule II of the Act. And due to the same there has been a change in the estimated useful life of depreciable tangible assets which affects the depreciation in the current period and in each period during the remaining useful life of the assets. As the change is only in regard to accounting estimate requiring an adjustment of the carrying amount of tangible assets. The same do not require adjustment in the financial information for the years ended on March 31, 2014.

Depreciation on tangible fixed assets except leasehold land is provided on the written down value (WDV) method over their estimated useful lives as mentioned below:

Nature of Assets	Revised Useful Life
Building	30 Years



*Acti* *Bhuti* *S B Patel* *Agarwal*



Plant & Machinery	15 Years
Office Equipments	5 Years
Furniture & Fixtures	10 Years

### 3) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### 4) Investments:

Investments, which are readily realizable and intended to be held for not more than 12 months from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

### 5) Inventories :

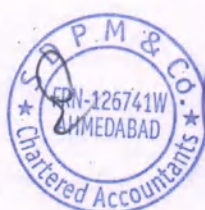
Raw Materials, Stores and spares and Finished Goods are valued at lower of cost and net realizable value. Cost is determined on Weighted Average Basis and includes all applicable cost incurred in bringing goods to their present location and condition.

### 6) Employee Benefits:

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

In the current accounting period, company is qualified for the exemption of registration under the Provident fund Thus, company has not paid any contribution to Provident fund

The Company's liability towards gratuity and compensated absences, being defined benefit plans are accounted for on the basis of an independent actuarial valuation and actuarial gains/losses are charged to the Statement of Profit and Loss.



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*Rajesh*

**7) Revenue Recognition:**

- (A) Revenue/income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred, except those with significant uncertainties.
- (B) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.
- (C) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (D) Dividend is recognised when the shareholder's right to receive the payment is established by the reporting date.
- (E) The GST Credit available on purchase of raw materials / capital items and other eligible inputs are adjusted against GST payable on clearance of finished goods.

**8) Foreign Currency Transactions :**

Foreign Currency Transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign Currency monetary items are reported using the closing exchange rate on the Balance Sheet Date. Non - monetary items which are carried in terms of historical cost denominated in a foreign currency, which are reported using the exchange rate at the date of the transaction; and non - monetary items which are carried at fair value or other similar valuation denominated in a foreign currency, which are reported using the exchange rate that existed when the values were determined.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting of such monetary items of the company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

**9) Accounting For Government Grants/subsidies:**

Government grants/subsidies and refunds due from Government Authorities are accounted when there is reasonable certainty of their realization.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them to the costs, which it is intended to compensate.



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Where the grant or subsidy related to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of shareholders' funds.

#### 10) Taxation

Tax expenses comprise current tax (amount of tax for the period determined in accordance with the Income Tax Regulations in India) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, when there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

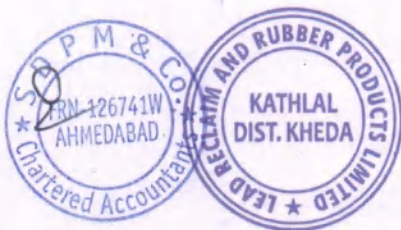
Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each Balance Sheet date. The same is not applicable to the company because the company has availed the benefit of new tax regime under the Section 115BAA of Income Tax Act, 1961.

#### 11) Borrowing Cost:

Borrowing Costs relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charge to revenue.

#### 12) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of



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*Royash*

Equity Shares outstanding at the end of the year. Diluted earnings per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding at the end of the year.

**13) Provisions, Contingent Liabilities & Contingent Assets:**

The company recognizes as provisions, the liability being present obligations arising from past events, the settlement of which is expected to result in outflow of resources and which can be measured only by using a substantial degree of estimation. Contingent liabilities are disclosed by way of a note to the financial statement after careful evaluation by the management of the facts and legal aspect of the matters involved. Contingent assets and contingent liabilities are being neither recognized nor disclosed.

**14) Current Assets, Loans And Advances**

The balance under items of Sundry Debtors, Loans and Advances and current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However, in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

**15) Cash Flow**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

**16) Segment Reporting**

*Business Segment*

As the company is dealing in only one segment i.e. manufacturing of reclaimed rubber, hence segment reporting is not applicable. Company does not have distinguishable component of an enterprise that is engaged in providing an individual product or service or group of related product or services and that is subject to risks and returns that are different from those of other business segment.

**(D) Changes in Accounting Policies in the Periods/Years Covered In The Restated Financials**

There is no change in significant accounting policies adopted by the Company.



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*B. P. Patel*

*J. B. Patel*

*Q. Patel*



(E) NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

- 1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 2) The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India in respect of recording provision for Gratuity in its Books of Accounts for the Financial Years 2019-20, 2020-21 and 2021-22. However, in restated financial statements, the Company has made the necessary provision for gratuity as per the actuarial valuation reports obtained by them.
- 3) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 4) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 5) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 6) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 7) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.



*Acti* *B. R. Patel* *J. B. Patel* *Q. R. Patel*

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

**Annexure No. 4(B) RECONCILIATION OF PROFIT & AUDIT PROFIT :**

	30/09/2022	2021-22	2020-21	2019-20
Net Profit / (Loss) After Tax of Audited Statement of Profit & Loss	43.79	49.72	23.39	24.75
<b>Adjustments for:</b>				
Gratuity Provision (Note-1)	-0.44	-0.87	-0.61	-0.71
(Short)/Excess Provision for Tax (Note-2)	-0.02	-1.07	0.00	0.00
Interest on Income tax not debited to P&L	0.00	0.00	0.00	0.00
Interest Income not credited to P&L	0.00	0.00	0.00	0.00
Deferred Tax Liability / Asset Adjustments (Note-3)	-7.79	0.09	-0.04	12.32
<b>Net Profit / (Loss) after tax as restated</b>	<b>35.55</b>	<b>47.87</b>	<b>22.74</b>	<b>36.36</b>

Explanatory notes to the above restatements made in Audited Financial Statements of the company for the respective years / period.

Adjustments having impact on Profit:**Note - 1**

The Company has not provided for Gratuity up to FY 2021-22 as per AS-15 in books of accounts. However, in restated financial statements, provision for gratuity has been made based on actuarial valuation.

**Note - 2**

The Company has provided excess or short provision of income tax in the year in which the income tax return has been filled. But in restated account, the company has provided excess or short provision in the year to which it relates.

**Note - 3**

There is change in Deferred Tax Assets / Liabilities as per audited books of accounts and as per restated financials and the same has been given effect in the year to which the same relate.

Adjustments having no impact on Profit:

Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with regroupings as per the audited financials of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

(Amount ₹ In Lakhs)

**Annexure No. 4(C) RECONCILIATION OF EQUITY / NETWORTH :**

	30/09/2022	2021-22	2020-21	2019-20
Equity / Networth as per audited financials	554.75	280.45	29.24	5.86
<b>Adjustments for:</b>				
Difference pertaining to changes in Profit / Loss due to Restated effect for the period covered in Restated Financial	-8.23	-1.84	-0.65	11.61
Prior period adjustments (Note-1)	9.12	10.96	11.61	0.00
<b>Equity / Networth as Restated</b>	<b>555.63</b>	<b>289.57</b>	<b>40.20</b>	<b>17.47</b>

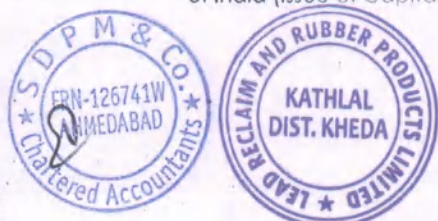
Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.

**Note - 1**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.



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B. H. Patel

S. B. Patel

Rajesh



**Annexure No. 5. RESTATED STATEMENT OF SHARE CAPITAL :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Authorised Shares:authorized;</b>				
50 Lakhs Equity Shares of Rs.10/- each.	500.00	500.00	0.00	0.00
25 Lakhs Equity Shares of Rs.10/- each.	0.00	0.00	250.00	250.00
	<u>500.00</u>	<u>500.00</u>	<u>250.00</u>	<u>250.00</u>
<b>2 Issued, subscribed and fully paid Shares</b>				
31.39 Lakhs Equity Shares of Rs.10/- each Fully paid up	313.85	0.00	0.00	0.00
22.17 Lakhs Equity Shares of Rs.10/- each Fully paid up	0.00	221.65		
2.01 Lakhs Equity Shares of Rs.10/ each	0.00	0.00	20.15	20.15
	<u>313.85</u>	<u>221.65</u>	<u>20.15</u>	<u>20.15</u>
<b>3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>				
	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	(No of Shares) AS AT 31.03.2020
<b>Equity Shares</b>	No. of Shares	No. of Shares	No. of Shares	No. of Shares
At the beginning of the period	22,16,500	2,01,500	2,01,500	2,01,500
Add : Issued during the period	9,22,000	20,15,000	0	0
Outstanding at the end of the period	<u>31,38,500</u>	<u>22,16,500</u>	<u>2,01,500</u>	<u>2,01,500</u>
<b>4 Terms &amp; Right attached to Equity Shares &amp; Preference shares</b>				
Equity Shares: The company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts and payment of preference shareholders, in proportionate to their shareholding.				

**5A Details of Shareholding of Promoters**

Sr No	Name of Promotor	No of Shares	% of total shares	% change during the year
<b>As At 31st March, 2020</b>				
1	Baldevbhai H Patel	35,475	17.61%	0.00%
2	Jayeshkumar B Patel	14,500	7.20%	0.00%
3	Rekhaben B Patel	14,500	7.20%	0.00%
4	Daxaben D Chauhan	17,000	8.44%	0.00%
5	Dikshaben K Patel	15,000	7.44%	0.00%
6	Ankita P Patel	7,000	3.47%	0.00%
7	Ravindra M Patel	4,300	2.13%	0.00%
8	Sadhana J Patel	6,500	3.23%	0.00%
9	Vishnubhai H Patel	2,000	0.99%	0.00%
10	Kalpeshbhai Bagubhai Patel	6,125	3.04%	0.00%
11	Piyushbhai Baghubhai Patel	4,500	2.23%	0.00%
12	Sardaben Baghubhai Patel	4,000	1.99%	0.00%
<b>As At 31st March, 2021</b>				
1	Baldevbhai H Patel	35,475	17.61%	0.00%
2	Jayeshkumar B Patel	14,500	7.20%	0.00%
3	Rekhaben B Patel	14,500	7.20%	0.00%
4	Daxaben D Chauhan	17,000	8.44%	0.00%
5	Dikshaben K Patel	15,000	7.44%	0.00%
6	Ankita P Patel	7,000	3.47%	0.00%
7	Ravindra M Patel	4,300	2.13%	0.00%
8	Sadhana J Patel	6,500	3.23%	0.00%
9	Vishnubhai H Patel	2,000	0.99%	0.00%
10	Kalpeshbhai Bagubhai Patel	6,125	3.04%	0.00%
11	Piyushbhai Baghubhai Patel	4,500	2.23%	0.00%
12	Sardaben Baghubhai Patel	4,000	1.99%	0.00%
<b>As At 31st March, 2022</b>				
1	Baldevbhai H Patel	6,18,875	27.92%	10.32%
2	Jayeshkumar B Patel	6,85,100	30.91%	23.71%
3	Rekhaben B Patel	49,900	2.25%	-4.94%
4	Daxaben D Chauhan	17,000	0.77%	-7.67%
5	Dikshaben K Patel	15,000	0.68%	-6.77%
6	Ankita P Patel	1,17,000	5.28%	3.14%
7	Ravindra M Patel	4,300	0.19%	-3.03%
8	Sadhana J Patel	3,06,500	13.83%	12.84%
9	Vishnubhai H Patel	2,000	0.09%	-2.95%
10	Kalpeshbhai Bagubhai Patel	3,16,125	14.26%	12.03%
11	Piyushbhai Baghubhai Patel	20,000	0.90%	-1.08%

LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

NOTES TO FINANCIAL STATEMENT

			(Amount Rs. In Lakhs)	
12	Sardaben Baghubhai Patel	4,000	0.18%	0.18%
<b>As At 30th September, 2022</b>				
1	Baldevbhai H Patel	7,98,875	36.04%	8.12%
2	Jayeshkumar B Patel	8,99,350	40.58%	9.67%
3	Rekhaben B Patel	49,900	2.25%	0.00%
4	Daxaben D Chauhan	17,000	0.77%	0.00%
5	Dikshaben K Patel	15,000	0.68%	0.00%
6	Ankita P Patel	1,12,000	5.05%	4.86%
7	Ravindra M Patel	4,300	0.19%	-13.63%
8	Sadhana J Patel	4,36,500	19.69%	19.60%
9	Vishnubhai H Patel	2,000	0.09%	-14.17%
10	Kalpeshbhai Bagubhai Patel	3,16,125	14.26%	13.36%
11	Piyushbhai Baghubhai Patel	20,000	0.90%	0.72%
12	Sardaben Baghubhai Patel	4,000	0.18%	0.18%

**5B Details of shareholders holding more than 5% shares in the company (in terms of No. of shares holding)**

	AS AT 30.09.2022 No. of Shares	AS AT 31.03.2022 No. of Shares	AS AT 31.03.2021 No. of Shares	AS AT 31.03.2020 No. of Shares
a) Equity Shares, fully paid up:				
Baldevbhai H Patel	7,98,875	6,18,875	35,475	35,475
Jayeshkumar B Patel	8,99,350	6,85,100	14,500	14,500
Rekhaben B Patel	49,900	49,900	14,500	14,500
Daxaben D Chauhan	17,000	17,000	17,000	17,000
Dikshaben K Patel	15,000	15,000	15,000	15,000
Ankita P Patel	1,12,000	1,17,000	7,000	7,000
Sadhana J Patel	4,36,500	3,06,500	6,500	6,500
Kalpeshbhai Bagubhai Patel	3,16,125	3,16,125	6,125	6,125

**5C Details of shareholders holding more than 5% shares in the company (in terms of % of holding)**

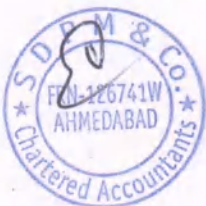
	AS AT 30.09.2022 % of holding	AS AT 31.03.2022 % of holding	AS AT 31.03.2021 % of holding	AS AT 31.03.2020 % of holding
a) Equity Shares, fully paid up:				
Baldevbhai H Patel	25.45%	27.92%	17.61%	17.61%
Jayeshkumar B Patel	28.66%	30.91%	7.20%	7.20%
Rekhaben B Patel	1.59%	2.25%	7.20%	7.20%
Daxaben D Chauhan	0.54%	0.77%	8.44%	8.44%
Dikshaben K Patel	0.48%	0.68%	7.44%	7.44%
Ankita P Patel	3.57%	5.28%	3.47%	3.47%
Sadhana J Patel	13.91%	13.83%	3.23%	3.23%
Kalpeshbhai Bagubhai Patel	10.07%	14.26%	3.04%	3.04%

**Notes**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively



*Acti* *BH Patel* *S B Patel* *Qeyash*





## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

**Annexure No. 6. RESTATED STATEMENT OF RESERVE & SURPLUS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>a) Reserves and Surplus:</b>				
1 Capital Redemption Reserve:				
Opening Balance as per last financial statement	0.00	0.00	0.00	0.00
Add: During the year	0.00	0.00	0.00	0.00
<b>Closing Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
2 Securities Premium Reserve				
Opening Balance as per last financial statement	123.25	123.25	123.25	123.25
Add: During the year	138.30	0.00	0.00	0.00
Less: Utilised for issuing the Bonus Shaers	0.00	0.00	0.00	0.00
<b>Closing Balance</b>	<b>261.55</b>	<b>123.25</b>	<b>123.25</b>	<b>123.25</b>
<b>b) Surplus/(Deficit) in the statement of Profit &amp; Loss</b>				
Opening Balance	-55.33	-103.20	-125.93	-162.30
Add: Restated Profit/(Loss) for the year	35.55	47.87	22.74	36.36
<b>LESS:</b>				
Utilised for issuing the Bonus Shaers	0.00	0.00	0.00	0.00
<b>Closing Balance</b>	<b>-19.77</b>	<b>-55.33</b>	<b>-103.20</b>	<b>-125.93</b>
<b>TOTAL: RESERVES AND SURPLUS</b>	<b>241.78</b>	<b>67.92</b>	<b>20.05</b>	<b>-2.68</b>

**Notes:**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 7. RESTATED STATEMENT OF LONG TERM BORROWINGS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Secured</b>				
<u>From Bank / Financial Institutions</u>				
Term Loan From Banks	16.38	0.00	220.12	197.01
	<b>16.38</b>	<b>0.00</b>	<b>220.12</b>	<b>197.01</b>
<b>2 Unsecured</b>				
<u>From Promoters / Promoters Group / Group Companies / Other Related Parties</u>				
Loans from Directors & their relatives	0.00	3.49	130.69	148.52
Loans from Shareholders & Others	0.00	0.00	13.69	17.02
	<b>0.00</b>	<b>3.49</b>	<b>144.38</b>	<b>165.54</b>
<b>TOTAL: LONG-TERM BORROWINGS</b>	<b>16.38</b>	<b>3.49</b>	<b>364.49</b>	<b>362.56</b>

**ANNEXURE - 7A : NATURE OF SECURITIES AND TERMS OF REPAYMENT FOR SECURED LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES**

Sr No	Name of Lender, Nature of Facility, Amount Sanctioned, Rate of Interest & Repayment Terms	Amount Outstanding as at 30.09.2022 (Amount ₹ In Lakhs)	Securities offered / Principal terms & conditions
1	Term loan taken from HDFC Bank during FY 2022-23, sanctioned of Rs. 16.38 Lakhs and carries interest @8.15%. The loan is re-payable in 84 monthly instalments of Rs. 25,653 each.	16.38	Hypothecation of Tata Nexon car purchased through loan, having registration no. T0922GJ1377DA.

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 8. RESTATED STATEMENT OF LONG TERM PROVISIONS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Provision for employee benefits Provision for Gratuity				
2 Others:	2.61 0.00	2.17 0.00	1.30 0.00	0.71 0.00
<b>TOTAL: LONG-TERM PROVISIONS</b>	<b>2.61</b>	<b>2.17</b>	<b>1.30</b>	<b>0.71</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 9. RESTATED STATEMENT OF SHORT TERM BORROWINGS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 <u>Current maturities of long-term debt</u> Term Loan From Banks	0.00	0.00	20.74	14.69
2 <u>Loan Repayable on Demand</u> - From Bank (Secured) Working Capital Loan from Banks	255.00	265.81	9.44	0.00
<b>TOTAL: SHORT-TERM BORROWINGS</b>	<b>255.00</b>	<b>265.81</b>	<b>30.18</b>	<b>14.69</b>

**ANNEXURE - 9A : NATURE OF SECURITIES AND TERMS OF REPAYMENT FOR SECURED SHORT TERM BORROWINGS**

Sr No	Name of Lender, Nature of Facility, Amount Sanctioned, Rate of Interest & Repayment Terms	Amount Outstanding as at 30.09.2022 (Amount ₹ In Lakhs)	Securities offered / Principal terms & conditions
1	Overdraft Facility taken from ICICI Ltd , sanctioned of Rs. 280.00 Lakhs and carries interest rate 8.25% Floating.	255.00	The hypothecation of the firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



*Acti* *B. Patel* *J.B. Patel* *Rajesh*



**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 10. RESTATED STATEMENT OF TRADE PAYABLES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>Trade Payable for Goods &amp; Services includes</b>				
Outstanding for less than 1 year				
(i) Dues of MSME	0.62	1.97	2.71	2.26
(ii) Dues of Other	73.71	54.40	65.32	102.20
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
Outstanding for 1 to 2 years				
(i) Dues of MSME	0.00	0.00	0.00	0.00
(ii) Dues of Other	2.06	3.27	2.66	0.00
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
Outstanding for 2 to 3 years				
(i) Dues of MSME	0.00	0.00	0.00	0.00
(ii) Dues of Other	3.79	8.43	27.84	0.00
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
Outstanding for more than 3 years				
(i) Dues of MSME	0.00	0.00	0.00	0.00
(ii) Dues of Other	31.70	21.51	2.10	0.00
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
<b>TOTAL: TRADE PAYABLES</b>	<b>111.88</b>	<b>89.58</b>	<b>100.63</b>	<b>104.45</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 11. RESTATED STATEMENT OF OTHER CURRENT LIABILITIES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Other Payables:</b>				
Statutory liabilities	1.04	7.95	38.09	11.61
Creditors for Expenses	0.00	0.00	5.00	14.24
Advance from Customers	19.11	15.22	3.70	0.07
Other Liabilities	5.14	12.68	9.17	4.11
<b>TOTAL: OTHER CURRENT LIABILITIES</b>	<b>25.29</b>	<b>35.85</b>	<b>55.96</b>	<b>30.03</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 12. RESTATED STATEMENT OF SHORT TERM PROVISIONS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Provision for employee benefits</b>				
Provision for Gratuity	0.00	0.00	0.00	0.00
<b>2 Others:</b>				
Provision for Taxation	25.41	13.24	0.00	0.00
Other Provision	2.45	4.59	2.11	2.54
<b>TOTAL: SHORT-TERM PROVISIONS</b>	<b>27.86</b>	<b>17.83</b>	<b>2.11</b>	<b>2.54</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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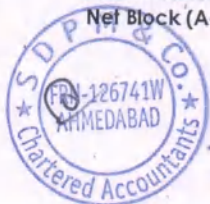
# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 13. RESTATED STATEMENT OF TANGIBLE ASSETS :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Land</b>				
Gross Block Opening Balance	48.26	48.26	48.26	48.26
Addition during the year	0.00	0.00	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>48.26</b>	<b>48.26</b>	<b>48.26</b>	<b>48.26</b>
Opening Accumulated Depreciation	0.00	0.00	0.00	0.00
Depreciation charged during the year	0.00	0.00	0.00	0.00
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Block (A-B)</b>	<b>48.26</b>	<b>48.26</b>	<b>48.26</b>	<b>48.26</b>
<b>2 Factory Building</b>				
Gross Block Opening Balance	213.71	201.84	201.84	201.84
Addition during the year	3.31	11.87	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>217.02</b>	<b>213.71</b>	<b>201.84</b>	<b>201.84</b>
Opening Accumulated Depreciation	101.74	90.73	79.07	66.18
Depreciation charged during the year	5.42	11.01	11.66	12.89
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>107.16</b>	<b>101.74</b>	<b>90.73</b>	<b>79.07</b>
<b>Net Block (A-B)</b>	<b>109.86</b>	<b>111.97</b>	<b>111.10</b>	<b>122.77</b>
<b>3 Plant &amp; Equipments</b>				
Gross Block Opening Balance	461.85	434.79	424.54	418.92
Addition during the year	7.20	27.06	10.25	5.62
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>469.05</b>	<b>461.85</b>	<b>434.79</b>	<b>424.54</b>
Opening Accumulated Depreciation	340.40	315.80	291.23	262.38
Depreciation charged during the year	11.23	24.60	24.56	28.85
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>351.63</b>	<b>340.40</b>	<b>315.80</b>	<b>291.23</b>
<b>Net Block (A-B)</b>	<b>117.42</b>	<b>121.45</b>	<b>118.99</b>	<b>133.31</b>
<b>4 Furniture &amp; Fixture</b>				
Gross Block Opening Balance	1.48	0.56	0.56	0.56
Addition during the year	0.00	0.92	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>1.48</b>	<b>1.48</b>	<b>0.56</b>	<b>0.56</b>
Opening Accumulated Depreciation	0.55	0.47	0.44	0.40
Depreciation charged during the year	0.12	0.08	0.03	0.04
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>0.67</b>	<b>0.55</b>	<b>0.47</b>	<b>0.44</b>
<b>Net Block (A-B)</b>	<b>0.81</b>	<b>0.93</b>	<b>0.09</b>	<b>0.12</b>
<b>5 Office Equipments</b>				
Gross Block Opening Balance	1.10	0.33	0.30	0.05
Addition during the year	3.33	0.77	0.03	0.25
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>4.44</b>	<b>1.10</b>	<b>0.33</b>	<b>0.30</b>
Opening Accumulated Depreciation	0.51	0.23	0.16	0.05
Depreciation charged during the year	0.64	0.28	0.07	0.11
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>1.15</b>	<b>0.51</b>	<b>0.23</b>	<b>0.16</b>
<b>Net Block (A-B)</b>	<b>3.29</b>	<b>0.59</b>	<b>0.10</b>	<b>0.14</b>
<b>6 Other Assets</b>				
Gross Block Opening Balance	0.00	0.00	0.00	0.00
Addition during the year	17.88	0.00	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>17.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Opening Accumulated Depreciation	0.00	0.00	0.00	0.00
Depreciation charged during the year	0.32	0.00	0.00	0.00
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>0.32</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Block (A-B)</b>	<b>17.56</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

			(Amount Rs. In Lakhs)	
Total Gross Block Closing Balance.....A	758.13	726.40	685.78	675.50
Total Opening Accumulated Depreciation	443.20	407.24	370.91	329.02
Total Depreciation charged during the year	17.73	35.97	36.33	41.89
Total Reduction / Adj during the year	0.00	0.00	0.00	0.00
Less :Total Accumulated Depreciation (Closing Balance).....B	460.93	443.21	407.24	370.91
Total Net Block (A-B)	297.21	283.20	278.54	304.59



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Notes :

- 1 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Notes

- 1 Schedule II of the Companies Act 2013 for calculating depreciation is applicable only on tangible assets. For calculating Depreciation on intangible assets, the companies have to follow the applicable accounting standards.
- 2 Depreciation as per Companies Act 2013 depends on the useful life of various assets as defined in the Schedule II to the Companies Act 2013
- 3 Rates of depreciation depend on the useful life of assets. No separate rates of depreciation are defined in the Act.
- 4 95% of the original cost of the asset has to be depreciated.
- 5 5% is the residual value of assets prescribed as per schedule II of the Companies Act 2013. The residual value of asset is to be calculated on the original cost of the Asset.
- 6 As per ICAI guidance note, if the value of the asset is up to Rs. 5000/- then it has be fully depreciated

### Annexure No. 14. RESTATED STATEMENT OF DEFERRED TAX ASSETS (NET) :

Deferred Tax Assets	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Tax Impact of C/f. Business & Depr. Loss as per Income Tax	0.11	0.22	4.40	17.66
Tax Impact of C/f Long term capital loss	0.00	0.00	0.00	0.00
Tax Impact of disallowed exps (Prov. For gratuity)	0.00	0.00	0.00	0.00
<b>Gross Deferred Tax Assets</b>	<b>0.11</b>	<b>0.22</b>	<b>4.40</b>	<b>17.66</b>
<b>Deferred Tax Liabilities</b>				
Tax Impact of difference between Book and Tax Depreciation	-5.07	-5.32	-5.56	-21.66
<b>Gross Deferred Tax Liabilities</b>	<b>-5.07</b>	<b>-5.32</b>	<b>-5.56</b>	<b>-21.66</b>
<b>TOTAL: DEFERRED TAX ASSETS (NET)</b>	<b>5.18</b>	<b>5.53</b>	<b>9.97</b>	<b>39.32</b>

### Notes :

- 1 In accordance with accounting standard 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants India, the Deferred Tax Assets (net of Liabilities) is provided in the books of account as at the end of the year.
- 2 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 3 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 15. RESTATED STATEMENT OF LONG TERM LOANS AND ADVANCES :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Security Deposits;				
a Unsecured, considered good	26.55	26.55	26.55	26.35
2 Loans and advances to related parties	0.00	0.00	0.00	0.00
<b>TOTAL: LONG-TERM LOANS AND ADVANCES</b>	<b>26.55</b>	<b>26.55</b>	<b>26.55</b>	<b>26.35</b>

### Notes:

- 1 None of the long term loans and advances as stated above are recoverable from Directors/ Promoters/ Promoter group /Associates/ Relatives of Directors/ Group company.
- 2 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 3 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 16. RESTATED STATEMENT OF INVENTORIES :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
- Raw Materials	104.01	121.87	84.36	50.50
- Others (Packing Material)	5.86	4.99	2.94	0.83
- Finished goods	132.92	39.26	12.90	22.68
- Stores & Spares	19.84	17.48	8.11	5.63
<b>TOTAL: INVENTORIES</b>	<b>262.63</b>	<b>183.60</b>	<b>108.31</b>	<b>79.65</b>

#### Notes:-

- 1 Raw materials are valued at lower of cost or net realisable value. Cost includes purchase value, freight, duties & taxes.
- 2 Finished goods are valued at lower of cost or net realisable value. Cost includes purchase value, freight, proportionate manufacturing expense, wages & salary to employees, duties and taxes.
- 3 Stores & Spares are valued at lower of cost or net realisable value.
- 4 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 5 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 17. RESTATED STATEMENT OF TRADE RECEIVABLES :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Outstanding for less than 6 months				
(i) Undisputed trade receivable - considered good	42.68	25.09	80.79	53.99
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for 6 months to 1 year				
(i) Undisputed trade receivable - considered good	0.18	2.70	0.38	3.30
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for 1 to 2 years				
(i) Undisputed trade receivable - considered good	0.00	0.00	0.00	0.00
(ii) Undisputed trade receivable - considered doubtful	2.47	11.31	10.13	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for 2 to 3 years				
(i) Undisputed trade receivable - considered good	0.00	0.00	0.00	0.00
(ii) Undisputed trade receivable - considered doubtful	5.54	2.05	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for more than 3 years				
(i) Undisputed trade receivable - considered good	0.00	0.00	0.00	0.00
(ii) Undisputed trade receivable - considered doubtful	4.37	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
<b>TOTAL: TRADE RECEIVABLES</b>	<b>55.24</b>	<b>41.15</b>	<b>91.30</b>	<b>57.28</b>

#### Notes:-

- 1 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



*Acti* *BH Patel* *JB Patel* *Rajesh*



# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 18. RESTATED STATEMENT OF CASH AND CASH EQUIVALENTS :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Balance With Banks: In Current Account	0.27	0.32	0.65	0.39
2 Cash on Hand	17.60	16.30	27.92	7.48
3 Bank Deposits with original maturity of less than 12 months	1.60	1.60	10.00	0.00
<b>TOTAL: CASH AND CASH EQUIVALENTS</b>	<b>19.47</b>	<b>18.23</b>	<b>38.57</b>	<b>7.87</b>

#### Notes :-

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 19. RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Security Deposits:				
a Unsecured, considered good;	0.00	0.00	0.00	0.00
2 Other loans and advances:				
a Other Loans & Advances	137.59	87.41	23.69	2.22
b Accrued Interest on Short Term Deposits	0.00	1.13	1.44	1.54
c Interest Subsidy Receivables	0.00	0.00	0.00	2.97
d Advance to Suppliers	136.18	43.84	6.65	8.43
	273.77	132.38	31.79	15.15
<b>TOTAL: SHORT-TERM LOANS AND ADVANCES</b>	<b>273.77</b>	<b>132.38</b>	<b>31.79</b>	<b>15.15</b>

#### Notes :-

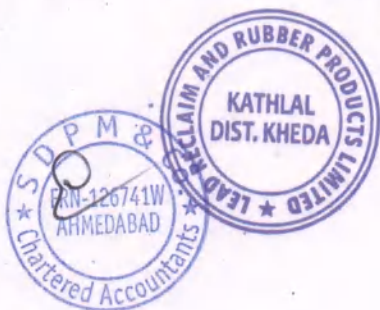
- Advance given to suppliers have been taken as certified by the management of the company.
- No Securities have been taken by the company against the advance given to suppliers.
- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 20. RESTATED STATEMENT OF OTHER CURRENT ASSETS :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Unsecured, considered good unless stated otherwise				
Other Assets:				
1 Advance payment of Income tax (Net of Provisions)	0.00	0.00	0.00	0.00
2 Pre-paid Expense	1.03	0.45	0.54	0.60
3 Balances with Govt. Authorities	2.61	13.23	9.31	1.64
4 Others	5.53	0.00	0.00	0.00
<b>TOTAL: OTHER CURRENT ASSETS</b>	<b>9.17</b>	<b>13.68</b>	<b>9.85</b>	<b>2.25</b>

#### Notes :-

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.





# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

### Annexure No. 21. RESTATED STATEMENT OF REVENUE FROM OPERATIONS : (Amount Rs. In Lakhs)

	Sep-22	2021-22	2020-21	2019-20
<b>Sales of Products</b>				
Finished Goods Sold during the year	490.17	1,028.03	698.86	475.84
	<b>490.17</b>	<b>1,028.03</b>	<b>698.86</b>	<b>475.84</b>
<b>Other Operating Revenue</b>				
Other Operating Revenue	2.21	2.05	4.64	1.47
	<b>2.21</b>	<b>2.05</b>	<b>4.64</b>	<b>1.47</b>
<b>TOTAL: REVENUE FROM OPERATIONS</b>	<b>492.39</b>	<b>1,030.09</b>	<b>703.50</b>	<b>477.31</b>

#### Notes:

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 22. RESTATED STATEMENT OF OTHER INCOME :

	Sep-22	2021-22	2020-21	2019-20
Interest Income	6.60	0.00	0.31	0.81
MGVCL Deposit	0.00	1.23	1.23	1.71
Sundry Balance written off	0.00	5.17	0.00	3.84
Other Income	0.00	0.45	1.21	0.00
<b>TOTAL: OTHER INCOME</b>	<b>6.60</b>	<b>6.84</b>	<b>2.76</b>	<b>6.35</b>

#### Notes:

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 23. RESTATED STATEMENT OF COST OF MATERIAL CONSUMED :

	Sep-22	2021-22	2020-21	2019-20
<b>Raw Materials Consumed</b>				
Inventory at the beginning of the year	121.87	84.36	50.50	36.62
Add: Purchases	324.11	656.41	388.26	235.67
Add: Transfer from Stores & Spares	10.46	17.41	-3.20	-0.36
	<b>456.43</b>	<b>758.19</b>	<b>435.56</b>	<b>271.93</b>
Less: Inventory at the end of the year	104.01	121.87	84.36	50.50
Less : Resale of Raw Material	7.89	14.95	0.00	0.00
<b>TOTAL: COST OF RAW MATERIAL</b>	<b>344.54</b>	<b>621.37</b>	<b>351.20</b>	<b>221.43</b>

#### Notes:

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 24. RESTATED STATEMENT OF PURCHASES OF STOCK-IN-TRADE :

	Sep-22	2021-22	2020-21	2019-20
Trading Goods	12.86	0.00	0.50	0.00
Less : Purchase Return	0.00	0.00	0.00	0.00
<b>TOTAL:</b>	<b>12.86</b>	<b>0.00</b>	<b>0.50</b>	<b>0.00</b>

### Annexure No. 25. RESTATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE :

	Sep-22	2021-22	2020-21	2019-20
<b>Inventories at the end of the year</b>				
Finished Good	132.92	39.26	12.90	22.68
Semi-Finished Good	0.00	0.00	0.00	0.00
<b>Inventories at the beginning of the year</b>				
Finished Good	39.26	12.90	22.68	17.87
Semi-Finished Good	0.00	0.00	0.00	0.00
<b>TOTAL CHANGE (Net)</b>	<b>-93.66</b>	<b>-26.36</b>	<b>9.78</b>	<b>-4.82</b>

#### Notes:

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 26. RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSE :

	Sep-22	2021-22	2020-21	2019-20
Salary and Wages	19.37	35.42	21.50	14.59
Remuneration to Directors	7.80	11.40	5.40	0.00
Provision for Gratuity	0.44	0.87	0.59	0.71
<b>TOTAL: EMPLOYEE BENEFITS EXPENSE</b>	<b>27.61</b>	<b>47.69</b>	<b>27.49</b>	<b>15.30</b>

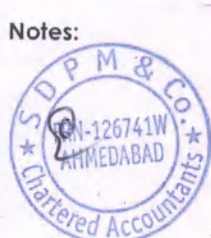
#### Notes:

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 27. RESTATED STATEMENT OF FINANCE COSTS :

	Sep-22	2021-22	2020-21	2019-20
Interest on Long term borrowings to Banks	10.21	21.40	31.48	17.43
Interest on Working Capital and EPC Account	0.00	0.00	0.28	11.46
Interest on Statutory Dues	0.00	0.00	0.02	0.18
<b>TOTAL: FINANCE COSTS</b>	<b>10.21</b>	<b>21.40</b>	<b>31.77</b>	<b>29.07</b>

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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 28. RESTATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSE :

	Sep-22	2021-22	2020-21	2019-20
Depreciation on tangible assets	17.73	35.97	36.33	41.89
<b>TOTAL: DEPRECIATION AND AMORTIZATION EXPS</b>	<b>17.73</b>	<b>35.97</b>	<b>36.33</b>	<b>41.89</b>

#### Notes:

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

### Annexure No. 29. RESTATED STATEMENT OF OTHER EXPENSES :

	Sep-22	2021-22	2020-21	2019-20
<b>Manufacturing expenses</b>				
Consumption of Stores and Spares	23.24	51.02	25.83	27.33
Other Manufacturing Expenses	0.00	9.58	3.66	2.55
<b>Administrative expenses</b>				
Auditors Remuneration	0.25	0.65	0.40	0.40
Legal and Professional Fees	6.26	18.60	1.44	0.82
Charges for Working Capital raised	0.25	0.00	8.05	0.00
Selling and Distribution Expense	18.36	21.70	25.33	17.92
Power & Fuel	74.50	143.15	125.10	81.58
Rates & Taxes	0.66	2.25	1.71	0.94
Insurance Expense	0.55	1.64	0.95	1.30
Repair and Maintenance	4.54	1.79	1.99	1.16
Postage and Telephone Expense	0.20	0.34	0.12	0.08
Office and Miscellaneous expense	2.70	5.99	0.37	0.80
Loan Processing Fees	0.00	13.49	2.03	0.31
Bank Charges	0.12	0.34	0.11	2.21
Written off of Deferred Revenue Expenditure	0.00	0.00	0.00	0.27
<b>TOTAL: OTHER EXPENSES</b>	<b>131.63</b>	<b>270.53</b>	<b>197.09</b>	<b>137.65</b>
<b>Payment to Auditor includes</b>				
Statutory Audit Fees	0.25	0.50	0.25	0.25
Other Fees	0.00	0.15	0.15	0.15
<b>Expenditure in Foreign Currency</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

#### Notes:

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

**Annexure No. 30. RESTATED STATEMENT OF DEFERRED TAX :**

	Sep-22	2021-22	2020-21	2019-20
Gross Deferred tax asset as per Annexure 14	-0.11	-0.22	-4.40	-17.66
Gross Deferred tax liability as per Annexure 14	-5.07	-5.32	-5.56	-21.66
Op. balance of Net Deferred tax asset / liability	5.53	9.97	39.32	39.68
<b>NET DEFERRED TAX :</b>	<b>0.35</b>	<b>4.43</b>	<b>29.35</b>	<b>0.36</b>

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 31. RESTATED STATEMENT OF CONTINGENT LIABILITIES :**

	Sep-22	2021-22	2020-21	2019-20
<u>Contingent liabilities in respect of:</u>				
1 Claims against the company not acknowledged as debts	0.00	0.00	0.00	0.00
2 Bank Guarantee issued by bank	0.00	0.00	0.00	0.00
3 Bills discounted from bank	0.00	0.00	0.00	0.00
4 Disputed Statutory Dues	2.85	9.26	9.28	9.28

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

### Annexure No. 32. RESTATED STATEMENT OF ACCOUNTING RATIOS :

(Amount Rs. In Lakhs)

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Net Worth (A)	555.63	289.57	40.20	17.47
Net Worth excluding Preference Share Capital (A-1)	555.63	289.57	40.20	17.47
Restated Profit after tax	35.55	47.87	22.74	36.36
Less: Prior Period Item	0.00	0.00	0.00	0.00
<b>Adjusted Profit after Tax (B)</b>	<b>35.55</b>	<b>47.87</b>	<b>22.74</b>	<b>36.36</b>
Number of Equity Share outstanding as on the End of Year/Period (C)	31,38,500	22,16,500	2,01,500	2,01,500
Weighted average no of Equity shares at the time of end of the year (D)	40,27,697	15,97,233	3,12,325	3,12,325
Current Assets (E)	620.28	389.04	279.83	162.19
Current Liabilities (F)	420.03	409.08	188.89	151.72
Face Value per Share	10.00	10.00	10.00	10.00
<b>EBITDA Ratio</b>				
Restated Profit after tax	35.55	47.87	22.74	36.36
Add : Finance Cost	10.21	21.40	31.76	28.89
Add : Provision for Tax	12.52	18.46	29.35	0.36
Add : Depreciation	17.73	35.97	36.33	41.89
Add : Amortization Expenses	0.00	0.00	0.00	0.00
<b>EBITDA</b>	<b>76.02</b>	<b>123.70</b>	<b>120.17</b>	<b>107.51</b>
Earnings Per Share				
Restated Basic and Diluted Earnings Per Share ( ₹ ) (B/D)	0.88	3.00	7.28	11.64
Return on Net worth (%) (B/A)	6.40%	16.53%	56.56%	208.20%
Return on Equity Net worth % (B/A-1)	6.40%	16.53%	56.56%	208.20%
Net asset value per share (A/C) (Face Value of ₹ 10 Each)	17.70	13.06	19.95	8.67
Current Ratio (E/F)	1.48	0.95	1.48	1.07

1) The ratios have been computed as below:

a. Basic and Diluted earnings per share ( ₹ ) =

Net profit available for appropriation ( as restated)

Weighted average number of equity shares outstanding at the end of the period or year

b. Return on net worth (%) =

Net profit available for appropriation ( as restated)

Net worth at the end of the period/year

c. Net assets value per share =

Net Worth at the end of the period/year

Number of equity shares outstanding at the end of the period/ year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net Worth means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.

4) The figures disclosed above are based on the standalone restated summary statements of the Company.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures 1, 2, 3 and 4.

6) EBITDA represents earnings (or profit / loss) before interest, income taxes, and depreciation and amortisation expenses

### Annexure No. 32A. RATIO ANALYSIS AND ITS ELEMENTS :

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Current Ratio	1.48 : 1	0.95 : 1	1.48 : 1	1.07 : 1
Debt Equity Ratio	0.49 : 1	0.93 : 1	9.82 : 1	21.60 : 1
Return on Equity Ratio	8.41%	29.03%	78.86%	0.00%
Inventory Turnover Ratio	1.18	4.08	3.85	5.44
Trade Receivable Turnover Ratio	10.22	15.55	9.47	8.09
Trade Payable Turnover Ratio	3.45	7.09	3.76	2.39
Net Capital Turnover Ratio	5.46	29.06	13.87	(4.99)
Net Profit Ratio	7.22%	4.65%	3.23%	7.62%
Return on Capital Employed	7.05%	15.70%	19.28%	18.30%



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 33. RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS :

Name	Relation	Nature Of Transaction	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Jayesh Baldevbhai Patel	Managing Director	Director's Remuneration	4.40	6.60	3.60	0.00
		Loan Received	14.38	41.51	21.62	42.09
		Loan Paid	17.22	38.74	44.12	37.15
Baldevbhai Hargovandas Patel	Chairman - Non Executive Director	Director's Remuneration	0.00	0.00	0.00	0.00
		Loan Received	5.27	57.01	31.15	16.76
		Loan Paid	5.92	141.68	18.39	6.17
Kalpesh Bhagubhai Patel	Director	Loan Received	0.00	6.50	0.00	3.97
		Loan Paid	0.00	49.45	0.00	1.67
		Director's Remuneration	2.40	4.80	0.00	0.00
Daxaben D Chauhan	Director	Loan Received	0.00	0.50	1.80	0.96
		Loan Paid	0.00	1.37	8.19	0.97
		Director's Remuneration	0.00	0.00	1.80	0.00
Sadhanaben B Patel	Director	Director's Remuneration	1.00	0.00	0.00	0.00
		Salary Expenses	0.50	3.00	0.00	0.00
Ankitaben P Patel	Relative of Director	Loan Received	0.00	0.00	0.00	5.00
		Loan Paid	0.00	5.00	0.00	0.00
Pareshkumar G Patel	Relative of Director	Loan Received	0.00	2.86	0.00	5.00
		Loan Paid	0.00	7.86	0.00	0.00
Dinesh Ramsing Chauhan	Relative of Director	Loan Received	0.00	0.00	0.00	0.00
		Loan Paid	0.00	0.00	0.00	0.62
Patel RoadWays	Same Management	Loan Received	0.00	0.00	0.00	0.00
		Loan Paid	0.00	0.14	0.00	0.20

#### Notes:

- The figures disclosed above are based on the restated standalone statement of assets and liabilities of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.
- List Company/entity owned or significantly influenced by directors, Key Management Personnels and Relative of Key Management Personnels have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

### Annexure No. 34. RESTATED STATEMENT OF CAPITALIZATION :

Particulars	Pre-Issue figures	(Amount Rs. In Lakhs)
		Post Issue
<b>Debt</b>		
Short Term Debt	255.00	255.00
Long Term Debt	16.38	16.38
<b>Total Debt</b>	<b>271.38</b>	<b>271.38</b>
<b>Shareholder's Funds</b>		
Share Capital	313.85	*
Reserve and Surplus-As Restated	241.78	*
<b>Total Shareholder's Fund</b>	<b>555.63</b>	<b>*</b>
<b>Long Term Debt/Shareholder's Fund</b>	<b>0.03</b>	<b>*</b>
<b>Total Debt/Shareholder's Fund</b>	<b>0.49</b>	<b>*</b>

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

#### Notes:

- (1) Short term Debts represent the debts which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
- (2) Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under "Other Current Liabilities".
- (3) The figures disclosed above are based on restated standalone statement of Assets and Liabilities of the Company as at 31st March, 2022.
- (4) The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



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# LEAD RECLAIM AND RUBBER PRODUCTS LIMITED

## NOTES TO FINANCIAL STATEMENT

(Amount Rs. In Lakhs)

### Annexure No. 35. RESTATED STATEMENT OF TAX SHELTER :

Sr No.	Particulars	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
A	Profit before taxes as restated	48.08	66.33	52.09	43.15
B	Normal Corporate Tax Rate (%)	25.17%	25.17%	25.17%	25.17%
C	MAT Rate (%)	0.00%	0.00%	0.00%	0.00%
	<b>Adjustments:</b>				
D	<b>Permanent Differences</b>				
	Expenses Disallowed under the Income Tax Act, 1961	0.80	6.42	0.17	0.55
	<b>Total Permanent Differences</b>	<b>0.80</b>	<b>6.42</b>	<b>0.17</b>	<b>0.55</b>
E	Income Considered Separately	0.00	0.00	0.00	0.00
F	<b>Timing Difference</b>				
	Depreciation as per Books	17.73	35.97	36.33	41.89
	Depreciation as per Income Tax	18.70	36.95	36.72	52.34
	Gratuity	0.44	0.87	0.59	0.71
	<b>Total Timing Differences</b>	<b>-0.53</b>	<b>-0.11</b>	<b>0.20</b>	<b>-9.75</b>
G	<b>Net Adjustment (D+E+F)</b>	<b>0.27</b>	<b>6.31</b>	<b>0.37</b>	<b>-9.19</b>
H	<b>Tax Expenses / (Saving) thereon (G x B)</b>	<b>0.07</b>	<b>1.59</b>	<b>0.09</b>	<b>-2.31</b>
I	Income from other sources	0.00	0.00	0.08	0.00
J	Exempt Income	0.00	0.00	0.00	0.00
K	<b>Income / (Loss) (A+G+I-J)</b>	<b>48.34</b>	<b>72.64</b>	<b>52.54</b>	<b>33.95</b>
L	Brought Forward Loss Set off				
	- Ordinary Business Loss	0.00	0.00	0.00	0.00
	- Unabsorbed Depreciation	0.00	16.91	52.54	33.95
	<b>Total (L)</b>	<b>0.00</b>	<b>16.91</b>	<b>52.54</b>	<b>33.95</b>
M	Allowable Deduction under the Income Tax Act	0.00	0.00	0.00	0.00
N	Profit/(Loss) as per Income tax (K-L)	48.34	55.73	0.00	0.00
O	Tax as per Normal Provision	12.17	14.03	0.00	0.00
P	MAT Credit Utilized	0.00	0.00	0.00	0.00
Q	<b>Tax Liability, After Considering the effect of MAT Credit (O-P)</b>	<b>12.17</b>	<b>14.03</b>	<b>0.00</b>	<b>0.00</b>
R	Book Profit as per MAT	48.08	66.33	52.09	43.15
S	Tax liability as per MAT (R x C)	0.00	0.00	0.00	0.00
	Current tax being higher of "O" or "S"	12.17	14.03	0.00	0.00
	Loss to be carried forward	0.00	0.00	0.00	0.00
	MAT credit entitlement	0.00	0.00	0.00	0.00
	<b>Total Tax as per Return of Income (Before interest under section 234A, B and C of the Income Tax Act, 1961)</b>	<b>12.17</b>	<b>14.03</b>	<b>0.00</b>	<b>0.00</b>
T	<b>Tax paid as per "MAT" or "Normal Provision"</b>	Normal Provision	Normal Provision	Normal Provision	Normal Provision

#### Notes:-

- The aforesaid statement of tax shelters has been prepared as per the restated standalone statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return of the respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc. has been adjusted in the tax liability of the year to which the liability pertains.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.



*Alti* *B. K. Patel* *J. B. Patel* *Rajesh*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the period ended September 30, 2022, for the financial year ended March 31, 2022, for financial year ended March 31, 2021 and for financial year ended March 31, 2020 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial information. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS, Companies Act, SEBI Regulations and other relevant accounting practices in India. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "**Risk Factors**" and "**Forward Looking Statements**" beginning on pages 322 and 20, respectively, and elsewhere in this Draft Prospectus.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Lead Reclaim and, our Company. Unless otherwise indicated, financial information included herein are based on our "**Restated Financial Statements**" for the period ended September 31, 2022 and for the financial year ended March 31, 2022, for the Financial Year 2021 and for the Financial Year 2020 beginning on page no. 190 of this Draft Prospectus.

### BUSINESS OVERVIEW

Our Company is in the business of manufacturing of reclaimed rubber, crumb rubber powder and rubber granules. We believe that we are one of the few companies in our reclaimed rubber industry that can process radial rubber, scrap tyre and tube rubber. Our manufacturing facility employs an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers.

For further details, please refer chapter titled "**Business Overview**" beginning on page 138 of this Draft Prospectus.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD i.e. SEPTEMBER 30, 2022

1. The Board of Directors of the Company approved the Initial Public Offering of our Company in their meeting held on October 14, 2022.
2. The Shareholders of the Company approved the Initial Public Offering of our Company in their meeting held on October 18, 2022.
3. The Board of Directors of the Company to increase Authorized Share Capital of the Company in their meeting held on October 14, 2022.
4. The Shareholders of the Company to increase Authorized Share Capital of the Company in their meeting held on October 18, 2022.
5. The Board has allotted 3,40,000 Equity shares pursuant to Right Issue vide Board Resolution dated October 14, 2022.

6. The Board has allotted 19,13,175 Equity shares pursuant to Bonus Issue vide Board Resolution dated October 18, 2022.

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 322, of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Volatility in supply and pricing of products;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to attract and retain qualified personnel;
- Substantial capital expenditure & working capital requirements;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Default or delay in payment from customers;
- Changes in laws, rules & regulations and legal uncertainties;
- Pricing pressures from the competitive business environment;
- Economic and Demographic condition;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control and
- Our ability to manage risks that arise from these factors.

### SIGNIFICANT ACCOUNTING POLICIES

For more details kindly refer to **Annexure 4** chapter titled “*Restated Financial Statements*” beginning on page 190 of this Draft Prospectus.

### DISCUSSION ON RESULTS OF OPERATIONS

The following table sets forth financial data from our restated financial statements of profit & loss for the six months period ended September 30, 2022 and for the financial year ended March 31, 2022, for the financial year ended March 31, 2021 and for the financial year ended March 31, 2020, the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

Particulars	Period ended 30-Sept-2022		Year ended 31-Mar-2022		Year ended 31-Mar-2021		Year ended 31-Mar-2020	
	Rs. in lakhs	%*	Rs. in lakhs	%*	Rs. in lakhs	%*	Rs. in lakhs	%*
<b><u>(A)</u></b> <b><u>REVENUE</u></b>								
Revenue from Operations	492.39	98.68	1,030.09	99.34	703.50	99.61	477.31	98.69
Other Income	6.60	1.32	6.84	0.66	2.76	0.39	6.35	1.31
<b>Total Revenue</b>	<b>498.99</b>	<b>100.00</b>	<b>1,036.93</b>	<b>100.00</b>	<b>706.26</b>	<b>100.00</b>	<b>483.67</b>	<b>100.00</b>

Particulars	Period ended 30-Sept-2022		Year ended 31-Mar-2022		Year ended 31-Mar-2021		Year ended 31-Mar-2020	
	Rs. in lakhs	%*	Rs. in lakhs	%*	Rs. in lakhs	%*	Rs. in lakhs	%*
<b><u>(B)</u></b> <b><u>EXPENDITURE</u></b>								
Cost of materials consumed	344.54	69.05	621.37	59.92	351.20	49.73	221.43	45.78
Purchases of Stock-in-Trade	12.86	2.58	0.00	0.00	0.50	0.07	0.00	0.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(93.66)	(18.77)	(26.36)	(2.54)	9.78	1.38	(4.82)	(1.00)
Employee Benefits Expenses	27.61	5.53	47.69	4.60	27.49	3.89	15.30	3.16
Finance Costs	10.21	2.05	21.40	2.06	31.77	4.50	29.07	6.01
Depreciation and Amortization Expense	17.73	3.55	35.97	3.47	36.33	5.14	41.89	8.66
Other Expenses	131.63	26.38	270.53	26.09	197.09	27.91	137.65	28.46
<b>Total Expenditure</b>	<b>450.91</b>	<b>90.36</b>	<b>970.60</b>	<b>93.60</b>	<b>654.17</b>	<b>92.62</b>	<b>440.52</b>	<b>91.08</b>
<b>Profit Before Exceptional and Extraordinary Items and Tax</b>	<b>48.08</b>	<b>9.64</b>	<b>66.33</b>	<b>6.40</b>	<b>52.09</b>	<b>7.38</b>	<b>43.15</b>	<b>8.92</b>
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit Before Extraordinary Items and Tax</b>	<b>48.08</b>	<b>9.64</b>	<b>66.33</b>	<b>6.40</b>	<b>52.09</b>	<b>7.38</b>	<b>43.15</b>	<b>8.92</b>

Particulars	Period ended 30-Sept-2022		Year ended 31-Mar-2022		Year ended 31-Mar-2021		Year ended 31-Mar-2020	
	Rs. in lakhs	%*	Rs. in lakhs	%*	Rs. in lakhs	%*	Rs. in lakhs	%*
Extraordinary Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit Before Tax</b>	<b>48.08</b>	<b>9.64</b>	<b>66.33</b>	<b>6.40</b>	<b>52.09</b>	<b>7.38</b>	<b>43.15</b>	<b>8.92</b>
<b>Tax Expense:</b>		0.00		0.00		0.00		0.00
(1) Current tax	12.17	2.44	14.03	1.35	0.00	0.00	0.00	0.00
(2) Deferred tax	0.35	0.07	4.43	0.43	29.35	4.16	0.36	0.07
(3) Short/(Excess) Provision of Income Tax of Earlier Years	0.00	0.00	0.00	0.00	0.00	0.00	6.42	1.33
<b>Profit (Loss) from the period from continuing operations</b>	<b>35.55</b>	<b>7.12</b>	<b>47.87</b>	<b>4.62</b>	<b>22.74</b>	<b>3.22</b>	<b>36.36</b>	<b>7.52</b>
Profit/(Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tax expense of discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) from discontinuing operations after tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit/(Loss) for the period</b>	<b>35.55</b>	<b>7.12</b>	<b>47.87</b>	<b>4.62</b>	<b>22.74</b>	<b>3.22</b>	<b>36.36</b>	<b>7.52</b>

\*(%) column represents percentage of total revenue.

### Key Components of our Statement of Profit and Loss Based on our Restated Financial Statements

#### Income



Our total income comprises of revenue from operations and other income.

### **Revenue from Operations**

Our revenue from operations represents sale of our products. The company is engaged in the business of manufacturing of Reclaim Rubber products viz. whole tyre reclaim rubber, natural tube reclaim rubber and butyl tube reclaim rubber. For detail, please refer to section “**Business Overview**” on page 138 of this Draft Prospectus.

### **Other Income**

Other income includes interest income, interest on security deposit – MGVCL, Sundry balance written off and other income.

### **Expenditure**

Our total expenditure primarily consists of Cost of Material Consumed, Increase/Decrease in Stock, Employee Benefit Expenses, Finance costs, Depreciation and Amortization and Other Expenses.

### **Employee Benefit Expenses**

Employee benefit expenses comprises of salaries and wages, Director’s remuneration and Provision for Gratuity.

### **Depreciation & Amortisation Cost**

Depreciation expenses consist of depreciation on the tangible assets of our company i.e., depreciation on fixed assets.

### **Finance costs**

Finance cost includes interest on long term borrowings to banks, interest on working capital and EPC account and interest on statutory dues.

### **Other Expenses**

Other expenses are divided into two categories: manufacturing expenses and administrative and selling expenses.

Manufacturing Expenses include Consumption of Stores and Spares and Other Manufacturing Expenses.

Auditors Remuneration, Legal and Professional Fees, Charges for Working Capital raised, Selling and Distribution Expense, Power & Fuel, Rates & Taxes, Insurance Expense, Repair and Maintenance, Postage and Telephone Expense, Office and Miscellaneous expense, Loan Processing Fees, Bank Charges, Written off of Deferred Revenue Expenditure etc.

### **Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date.

## **FOR THE SIX MONTHS PERIOD ENDED ON SEPTEMBER 30, 2022**

### **Income:**

#### **Total Revenue**

Our total revenue amounted to Rs. 498.99 lakhs for the six months period ended September 30, 2022 which is on account of revenue from operations and other income as described below:

#### **Revenue from Operations**

Our revenue from operations for the six months period ended September 30, 2022 was Rs. 492.39 Lakhs which is about 98.68% of the total revenue which comes from sale of our products.

#### **Other Income**

Our other income for the six months period ended September 30, 2022 was Rs. 6.60 Lakhs which is about 1.32 % of the total revenue. Amount received from Interest Income from short term deposits.

#### **Expenditure:**

##### **Cost of materials consumed**

Our cost of materials consumed for the six months period ended September 30, 2022 was Rs. 263.73 Lakhs, comprising (i) purchase of traded goods, amounting to Rs. 12.86 Lakhs; (ii) cost of raw material consumed, amounting to Rs. 344.54 Lakhs; and (iii) changes in inventories of finished goods, work-in-progress and Stock-in-Trade, amounting to Rs. (93.66) Lakhs which is about 53.65% of the total revenue.

##### **Employee Benefits Expenses**

The employee benefits expenses for the six months period ended September 30, 2022 is Rs. 27.61 Lakhs which is about 5.53 % of the total revenue.

##### **Finance Cost**

Financial costs for the six months period ended September 30, 2022 is Rs. 10.21 Lakhs which is about 2.05% of the total revenue.

##### **Other Expenses**

Other Expenses for the six months period ended September 30, 2022 is Rs. 131.63 Lakhs which is about 26.38 % of the total revenue. This expense includes admin, marketing and business-related expenses

##### **Depreciation and Amortization Expenses**

Depreciation for the six months period ended September 30, 2022 is Rs. 17.73 Lakhs which is about 3.55% of the total revenue.

##### **Tax expense**

Our total tax expenses for the six months period ended September 30, 2022 was Rs. 12.52 Lakhs.

Our tax expenses comprised (i) current tax amounting to Rs. 12.17 Lakhs, and (ii) deferred tax charge amounting to Rs. 0.35 Lakhs.

##### **Profit after Tax**

Profit after tax for the period ended September 30, 2022 is Rs. 35.55 Lakhs which is about 7.13 % of the total revenue.

#### **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2022 TO FINANCIAL YEAR ENDED MARCH 31, 2021**

##### **Income:**

##### **Total Revenue**

Our total revenue increased by 46.82 % to Rs. 1,036.93 Lakhs for Fiscal 2022 from Rs. 706.26 Lakhs for Fiscal 2021. This was primarily attributable to increase in demand for reclaim rubber products after Covid 19, restriction on imports and end user follows Make in India concept.

##### **Revenue from Operations**

Our revenue from operations increased by 46.42% to Rs. 1,030.09 Lakhs for Fiscal 2022 from Rs. 703.5 Lakhs for Fiscal 2021. This was primarily attributable to increase focus on quality and supply for reclaim rubber having wide application apart from tyre and tube such as conveyor belt, other rubber products.

##### **Other Income**

Our other income increased by 148.14% to Rs. 6.84 Lakhs for Fiscal 2022 from Rs. 2.76 Lakhs for Fiscal 2021. The primarily attributable to sundry balance written-off.

### **Expenditure**

#### **Cost of materials consumed**

Our cost of material consumed was increased by 76.93% to Rs. 621.37 Lakhs for Fiscal 2022 from Rs. 351.20 Lakhs for Fiscal 2021. The primarily attribute was due to increase in Company requirement for raw materials in order to meet demand for our products.

#### **Changes in inventories of finished goods and work-in-progress**

Changes in inventories of finished goods and work-in-progress, amounting to Rs. (26.36) Lakhs for Fiscal 2022 and Rs. 9.78 Lakhs for Fiscal 2021, decreased by (369.50). The principle reason decrease includes a continuing improvement of finish products which has enable us to increase recovery of material.

#### **Employee Benefits Expenses**

The employee benefits expense increased by 73.46% to Rs.47.69 Lakhs for Fiscal 2022 from Rs. 27.49 Lakhs for Fiscal 2021. This was primarily attribute to increase in the size of employment in line with our business expansion resulting in increase in salary and wages and due to increase in Director Remuneration.

#### **Finance Cost**

The finance costs reduced marginally by 32.64% to Rs. 21.40 Lakhs for Fiscal 2022 from Rs. 31.77 Lakhs for Fiscal 2021. This was primarily attributable to capitalization on interest and EMI paid on working capital loan avail by our Company and also shifting bank transfer loan from higher interest rate to lower interest rate.

#### **Depreciation and amortization expense**

Our depreciation and amortization expense decreased by 0.99 % to Rs. 35.97 Lakhs for Fiscal 2022 from Rs. 36.33 Lakhs for Fiscal 2021.

#### **Other Expenses**

Our other expenses increased by 37.26% to Rs. 270.53 Lakhs for Fiscal 2022 from Rs. 197.09 Lakhs for Fiscal 2021. The principle attribute was generally in line with increase in production for Consumption of Stores and Spares. Specifically, the increase was mainly driven by increases a) loan processing fees b) power and fuel consummation c) Legal and Professional Fees and other various administrative charges increase during the year.

#### **Tax expenses**

Our tax expenses decreased by Rs. 10.89 Lakhs form Fiscal 2022 from Rs. 18.46 Lakhs for Fiscal 2021, primarily due to a decrease in our applicable corporate tax rate.

#### **Profit after Tax (PAT)**

For the reasons discussed above, our profit after tax increased by 110.53% to Rs. 47.87 Lakhs for Fiscal 2022 from Rs. 22.74 Lakhs for Fiscal 2021. Profit has improved due to increase in sales.

### **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2021 TO FINANCIAL YEAR ENDED MARCH 31, 2020**

#### **Income:**

##### **Total Revenue**

Our total revenue increased by 46.02% to Rs. 706.26 Lakhs for Fiscal 2021 from Rs. 483.67 Lakhs for Fiscal 2020. This increase was primarily attributable to increase in demand of reclaim rubber products as natural rubber is become costlier as compared with reclaim rubber.

## **Revenue from Operations**

Our revenue from operations increased by 47.39% to Rs. 703.5 Lakhs for Fiscal 2021 from Rs. 477.31 Lakhs for Fiscal 2020. This increase was primarily attributable to increase in demand of reclaim rubber products.

## **Other Income**

Our other income decreased by 56.54% to Rs. 2.76 Lakhs for Fiscal 2021 from Rs. 6.35 Lakhs for Fiscal 2020. Our Company has accounted for Rs. 3.84 Lakhs of sundry balance written off which was not there during the Fiscal 2021.

## **Expenditure**

### **Cost of materials consumed**

The cost of materials consumed increased by 66.88% to Rs. 361.48 Lakhs for Fiscal 2021 from Rs. 216.61 Lakhs for Fiscal 2020. The primarily attribute was due to increase in Company requirement for raw materials in order to meet demand for our products.

### **Employee Benefits Expenses**

The employee benefits expense increased by 79.67% to Rs. 27.49 Lakhs for Fiscal 2021 from Rs. 15.30 Lakhs for Fiscal 2020. This was primarily attribute to increase in the size of employment in line with our business expansion resulting in increase in salary and wages and due to increase in Director Remuneration.

### **Finance Cost**

The finance costs marginally increased by 9.29 % to Rs. 31.77 Lakhs for Fiscal 2021 from Rs. 29.07 Lakhs for Fiscal 2020. This increase is primarily attributable to variation in credit limit used during the period.

### **Depreciation and amortization expense**

Our depreciation and amortization expense decreased by 13.28% to Rs. 36.33 Lakhs for Fiscal 2021 from Rs. 41.89 Lakhs for Fiscal 2020.

### **Other Expenses**

Our other expenses increased by 43.18% to Rs. 197.09 Lakhs for Fiscal 2021 from Rs. 137.65 Lakhs for Fiscal 2020. This increase is primarily attributable to increase in power and fuel charges for working capital.

### **Tax expenses**

Our tax expenses increased by Rs. 22.57 Lakhs form Fiscal 2022 from Rs. 6.78 Lakhs for Fiscal 2021, primarily due to a increase in differed tax expenditure.

### **Profit after Tax (PAT)**

For the reasons discussed above, our profit after tax decreased by 37.47% to Rs. 22.74 Lakhs for Fiscal 2021 from Rs. 36.36 Lakhs for Fiscal 2020.

## **Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

### **1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three (3) years.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "**Risk Factors**" beginning on page 322 of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Income and Sales on account of major product/main activities**

Income and sales of our Company on account of main activities derives from sale of Reclaim Rubber Products.

**4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled "**Risk Factors**" beginning on page 322 of this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increase in services**

Increases in revenues are by and large linked to increases in volume of business.

**7. Total turnover of each major industry segment in which the issuer company operated.**

The Company is engaged in the manufacturing, trading and exporting business of Reclaim Rubber Products., as available, has been included in the Chapter titled "**Industry Overview**" beginning on page 125 of this Draft Prospectus.

**8. Status of any publicly announced new products or business segment.**

Our Company has not announced any new services or business segment.

**9. The extent to which business is seasonal.**

Our Company's business is not seasonal.

**10. Any significant dependence on a single or few suppliers or customers.**

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of contribution of our Company's customers and supplier's vis a vis the revenue from operations and raw materials purchase respectively for the period ended September 31, 2022 and for the financial year ended March 31, 2022 based on Restated Financial Statements are as follows:

Particulars	Suppliers		Customers	
	For the period ended September 31, 2022	As on March 31, 2022	For the period ended September 31, 2022	As on March 31, 2022
Top 10 suppliers/ customers (Rs.in Lakhs)	322.09	530.28	399.38	976.77

Particulars	Suppliers		Customers	
	For the period ended September 31, 2022	As on March 31, 2022	For the period ended September 31, 2022	As on March 31, 2022
% to total purchase / sales	99.38	82.03	80.04	94.20

11. **Competitive conditions.**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Business Overview*” beginning on pages 125 and 138, respectively of this Draft Prospectus.

**Material developments subsequent to September 30, 2022**

Except as disclosed in this Draft Prospectus, there are no significant developments or circumstances that have arisen since September 30, 2022, the date of the last financial statements included in this Draft Prospectus:

Further, except as disclosed in this Draft Prospectus, there are no circumstances that have arisen since September 30, 2022, the date of the last financial statements included in this Draft Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.



## FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from various banks for conducting its business.

Set forth below is a brief summary of all the borrowings of our Company as on September 30, 2022 together with a brief description of certain significant terms of such financing arrangements.

(Rs. in Lakhs)

Nature of Borrowings	Amount
Secured borrowings	271.38
Unsecured borrowings	0.00
<b>Total</b>	<b>271.38</b>

### A. Secured Borrowings

(Rs. in Lakhs)

Sr. No	Name of Lender	Types on Loans	Date of sanction	Amount Sanctioned	Outstanding Amount as on September 30, 2022	Rate of Interest Per Annum
1.	ICICI Bank Limited*	Applicability for Working Capital Facilities	February 18, 2022	280.00 <sup>#</sup>	255.00	8.25%
2.	HDFC Bank Limited**	Vehicle Loan	September 03, 2022	16.38	16.38	8.15%

<sup>#</sup> modification of charge form is yet to be file with MCA.

#### \*Terms and Condition of Sanction

Sr. No	Type of Security	Details	Facilities Covered
1.	<b>Mortgage (Collateral)</b>	<p><b>Immovable Property situated at</b></p> <ol style="list-style-type: none"> <li>856/4, Pithai Ahmedabad to Kathlal Road, Kheda- 387630, Gujarat, India</li> <li>B/4 Hariom Nagar, Bholav, Bharuch-392001, Gujarat, India.</li> </ol> <p>[Extention of Exclusive charge in favour of the Bank by way of hypothecation of the firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank. (For working capital facility)]</p> <p>[Extention of Exclusive charge by way of hypothecation on all the firms movable fixed assets, both present and future, save and except vehicles and other assets specifically financed by other</p>	All facilities

Sr. No	Type of Security	Details	Facilities Covered
		financiers.]	
2.	<b>Guarantee (Collateral)</b>	<b>Personal Guarantee of:</b> Baldevbhai Hargovandas Patel	--

**\*\*Terms and Condition of Sanction**

Sr. No	Type of Security	Details	Facilities Covered
1.	<b>Mortgage (Collateral)</b>	<b>Make and Model</b> – Tata Nexon EV XZ+ <b>Assets Cost</b> – 16.30 Lakhs <b>Number of Monthly Instalments</b> – 84 <b>Instalment Amount (Rs.)</b> – 25,653/- <b>Borrower</b> – Jayeshkumar Baldevbhai Patel <b>Co-Borrower</b> – Lead Reclaim and Rubber Products Limited	All facilities

**Unsecured Borrowings**

The Company have also availed certain Unsecured Borrowings. Set forth below is a brief summary of Unsecured Borrowings as on September 30, 2022.

*(Rs. in Lakhs)*

Sr. No	Particulars	Amount
1.	From Directors & Relatives	0.00
2.	From Shareholders & others	0.00
	<b>Total</b>	<b>0.00</b>

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no outstanding, (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct or indirect taxes, in a consolidated manner; or (iv) other material litigation as per the Materiality Policy, in each case involving our Company, Promoters or Directors (collectively, the “Relevant Parties”). Further, there are no (i) disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.*

In accordance with the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than (i) criminal litigation, (ii) tax matters, (iii) statutory and regulatory actions, and (iv) disciplinary actions by SEBI or Stock Exchanges in the last five years against Promoters, would be considered ‘material’, if the monetary amount of claim made by or against the Relevant Party in any such outstanding litigation is in excess of 10% of the Net Profit After Tax as per the Restated Consolidated Financial Information or where the monetary liability is not quantifiable, if the outcome of any such pending litigation may have a bearing on the business, operations, performance, prospects or reputation of our Company (as determined by our Company).

Further, it is clarified that for the purpose of the above, pre-litigation notices received by any of the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities) shall, in any event, not be considered as litigation and accordingly have not been disclosed in this section until such time that the Relevant Parties, as applicable, are impleaded as defendants in litigation proceedings before any judicial or quasi-judicial forum. Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, any outstanding dues to any creditor of our Company would be considered ‘material’ if the amount of such outstanding dues to any creditor is in excess of 10 % of the total trade payables of our Company as on March 31, 2022 as per the Restated Financial Information. Further, for outstanding dues to any party which is a micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.

#### **A. LITIGATION INVOLVING OUR COMPANY**

##### **I. Litigation against our Company:**

- (i) Litigation involving Criminal Laws: Nil
- (ii) Litigation involving Civil Laws: Nil
- (iii) Litigation involving actions by Statutory / Regulatory Authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax matters: Nil
- (v) Other Pending Litigations: Nil

##### **II. Litigation by our Company**

- (i) Litigation involving Criminal Laws: Nil
- (ii) Litigation involving Civil Laws: Nil
- (iii) Litigation involving actions by Statutory / Regulatory Authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax matters: Nil
- (v) Other Pending Litigations: Nil

#### **B. LITIGATION INVOLVING OUR DIRECTORS**

##### **I. Litigation against our Directors**

- (i) Litigation involving Criminal Laws: Nil

- (ii) Litigation involving Civil Laws: Nil
- (iii) Litigation involving actions by Statutory / Regulatory Authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax matters: Nil
- (v) Other Pending Litigations: Nil

## **II. Litigation by our Directors**

- (i) Litigation involving Criminal Laws: Nil
- (ii) Litigation involving Civil Laws: Nil
- (iii) Litigation involving actions by Statutory/Regulatory Authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax Matters: Nil
- (v) Others pending litigations: Nil

## **C. LITIGATION INVOLVING OUR PROMOTERS**

### **I. Litigation against our Promoters:**

- (i) Litigation involving Criminal Laws: NIL
- (ii) Litigation involving Civil Laws: NIL
- (iii) Litigation involving actions by statutory or regulatory authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax Matters: Nil
- (v) Other Pending Litigations: Nil

### **II. Litigation by our Promoters:**

- (i) Litigation involving Criminal Laws: NIL
- (ii) Litigation involving Civil Laws: NIL
- (iii) Litigation involving actions by statutory or regulatory authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax Matters: Nil
- (v) Other Pending Litigations: Nil

## **D. LITIGATION INVOLVING GROUP COMPANIES**

### **I. Litigation against our Group Company:**

- (i) Litigation involving Criminal Laws: NIL
- (ii) Litigation involving Civil Laws: NIL
- (iii) Litigation involving actions by statutory or regulatory authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax Matters: Nil
- (v) Other Pending Litigations: Nil

### **II. Litigation by our Group Company:**

- (i) Litigation involving Criminal Laws: NIL
- (ii) Litigation involving Civil Laws: NIL
- (iii) Litigation involving actions by statutory or regulatory authorities: Nil
- (iv) Litigation involving Direct / Indirect Tax Matters: Nil
- (v) Other Pending Litigations: Nil

## **E. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY**

As per the Materiality Policy, the Board deems all creditors above 10% of the Revenue as per the restated financial statements. As of September, 2022, our Company owes the following amounts to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Non MSME and other creditors:

Particulars	Number of creditors	Amount involved in Rs. In Lakhs
Outstanding dues to micro, small and medium enterprises	1	0.62
Material Creditors	Nil	Nil
Other creditors	39	111.26
<b>Total Outstanding Dues</b>	<b>40</b>	<b>111.88</b>

For further details please refer to the chapter titled “*Restated Financial Statements*” beginning on page 190 of this Draft Prospectus.

**F. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS:**

Other than as stated under the heading “*Material Developments Subsequent to March 31, 2022*” in chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 226 of this Draft Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

**G. OTHER MATERIAL INFORMATIONS:**

**1. Material frauds against our Company**

There have been no material frauds committed against our Company in the last preceding five years from the date of this Draft Prospectus.

**2. Past cases where penalties imposed**

Except as mentioned below:

- (a) Interest in late payment of GST Rs. 74, 066/-
- (b) TDS default Rs. 13, 870/-

There are no past cases in the five (5) years preceding the date of this Draft Prospectus, where penalties were imposed on our Company by concerned authorities.

**3. Past inquiries, inspections and investigations under the Companies Act**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, in the last five (5) years immediately preceding the year of issue of this Draft Prospectus in the case of our Company.

**4. Details of fines imposed or compounding of offences under the Companies Act in the last five years immediately preceding the year of this Draft Prospectus:**

There have been no fines imposed on our Company or compounding of offences by our Company under the Companies Act in the last five years immediately preceding the date of this Draft Prospectus.

**5. Proceedings initiated against our Company for economic offences**

There are no pending proceedings initiated against our Company for any economic offences as on the date of this Draft Prospectus.

**6. Outstanding litigation involving any other persons or companies whose outcome could have an adverse effect on our Company:**

There is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

**7. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company**

There are no disciplinary actions taken by SEBI or stock exchanges against our Company or its Directors.

**8. Disclosures pertaining to wilful defaulters and fraudulent borrower:**

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter or as a fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.



## **GOVERNMENT AND OTHER APPROVALS**

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details refer to the Chapter “*Key Industry Regulations and Policies*” on page 151 of this Draft Prospectus.

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory, authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities. Our Company is a manufacturer, supplier and exporter of different types of Reclaim Rubber Products which require various approvals and / or licenses under various laws, rules and regulations.

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

### **I. APPROVALS FOR THE OFFER**

The following approvals have been obtained or will be obtained in connection with the offer:

1. Our Board of Directors have, pursuant to a resolution passed in its meeting held on October 14, 2022 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.
2. The shareholders of our Company have, pursuant to a special resolution passed in the Extraordinary general meeting of our Company held on October 18, 2022, authorized the Offer under Section 62(1)(c) of the Companies Act, 2013;
3. Our Company has obtained in-principle approval from the stock exchange for the listing of our Equity Shares pursuant to letter dated [ ● ] bearing reference no. [ ● ].

### **II. CORPORATE APPROVALS**

- a. Certificate of Incorporation dated October 31, 2012 issued to our Company by the ROC, in the name of Lead Amber Microtech Limited.
- b. Certificate of Commencement of Business dated November 10, 2012 issued by Registrar of Companies, Ahmedabad.
- c. Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause dated November 28, 2013 issued by Registrar of Companies, Ahmedabad.
- d. Fresh Certificate of Incorporation dated December 31, 2013 was issued to our Company by the ROC pursuant to name change in the name of Lead Reclaim and Rubber Products Limited.
- e. Corporate Identity Number (CIN): U25203GJ2012PLC072513

### **III. AGREEMENTS WITH NSDL AND CDSL**

- a. The Company has entered into an agreement dated March 16, 2021 with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- b. The Company has entered into an agreement dated March 26, 2021 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.

The Company's International Securities Identification Number ("ISIN") is INE0H4B01011.

#### IV. TAX RELATED APPROVALS

Sr.No	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AACCL3707E	October 31, 2012	Valid until cancel
2	Tax Deduction Account Number	Income Tax Department, Government of India	BRDL00645B	November 16, 2012	Valid until cancel
3	GST Registration Certificate	Approving Authority of Government of India under Centre Goods and Services Tax Act, 2017.	24AACCL3707E1ZZ	April 27, 2021	Valid until cancel


#### V. INDUSTRIAL, BUSINESS AND LABOUR RELATED APPROVALS/REGISTRATION/CERTIFICATE

Sr.No	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Registration under the Micro, Small and Medium Enterprises Development Act, 2006	Udyog Aadhar, Ministry of Micro, Small and Medium Enterprises, Government of India,	GJ12B0003125	September 23, 2019	Valid until cancel
2	Factory License Under Factories Act, 1948.	Government of India	3824/22199/2849	October 20, 2020	December 31, 2024
3	Import Export Code	Government of India	AACCL3707E	March 10, 2021	Valid until cancel
4	CCA (Consolidated consent and authorization)	Gujarat Pollution Control Board	AWH-117242	February 23, 2022	September 09, 2025
5	ISO 9001:2015	ROHS	22DQKX26	September 20,	September 19,

Sr.No	Description	Authority	Registration No.	Date of Issue	Date of Expiry
		Certification Pvt. Ltd.		2022	2025
6	MSME Zed certificate	Ministry of Micro, Small & Medium Enterprises	UDYAM-GJ-12-0002478	May 11, 2022	Valid until cancel
7	Certificate for Use of a Boiler	Gujarat Boiler Inspection Department	GT-9062	December 1, 2021	November 30, 2022
8	Central Sales Tax	Gujarat Commercial Tax	24660500571	December 04, 2014	Valid until cancel
9	Employees Provident Fund	Employees Provident Fund Organisation	10000042936AH D	September 20, 2017	Valid until cancel

## VI. INTELLECTUAL PROPERTY APPROVAL

As on the date of the Draft Prospectus, the Company has the following Trademark pending applications:

Sr. No	Brand Name/ Logo Trademark	Class	Nature of Trademark	Applicant	Application No. & Date	Status
1		17	Wordmark	Lead Reclaim and Rubber Products Limited	5636340 and October 4, 2022	Send to Vienna Codification

## VII. KEY APPROVALS THAT HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE:

There are no such key approvals which have expired and for which renewal applications have been made as on the date of this Draft Prospectus

## VIII. KEY APPROVALS APPLIED FOR BY OUR COMPANY BUT NOT RECEIVED

There are no such key approvals applied for by our but not received as on the date of this Draft Prospectus

## IX. KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR BY OUR COMPANY

There are no such key approvals required but not obtained or applied for as on the date of this Draft Prospectus.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on October 14, 2022 subject to the approval of shareholders of our Company through a special resolution to be passed, pursuant to Section 62(1)(c) of the Companies Act, 2013.

The members of our Company have approved this Issue by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of our Company held on October 18, 2022.

Our Board has approved this Draft Prospectus through its resolution dated December 13, 2022.

We have received In-Principle Approval from NSE India vide their letter dated [●] to use the name of NSE India in this Offer Documents for listing of our Equity Shares on Emerge Platform of NSE India. NSE India is the Designated Stock Exchange.

### **PROHIBITION BY THE SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

Our Company, our Promoters, our Promoter Group, our Directors, Person in control of our Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities as on date of this Draft Prospectus.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### **ASSOCIATION WITH SECURITIES MARKET**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

### **PROHIBITION BY RBI**

Neither our Company, our subsidiary, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a willful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter titled *“Outstanding Litigations and Material Development”* beginning on page 238 of this Draft Prospectus.

### **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company, Promoters and members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 as amended (**“SBO Rules”**), to the extent applicable to each of them as on the date of this Draft Prospectus.

### **ELIGIBILITY FOR THE ISSUE**

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital is less than or equal to ten crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the Emerge Platform of NSE India. Our Company also complies with eligibility conditions laid by Emerge Platform of NSE India for listing of Equity Shares.

**We confirm that:**

- a. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, 2018, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus/ Prospectus with Stock Exchange and the Registrar of Companies.
- b. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue has been one hundred (100) percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to the Chapter **“General Information”** beginning on page 62 of this Draft Prospectus.
- c. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- d. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of (3) three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see chapter titled **“General Information”** beginning on page 62 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on Emerge Platform of NSE India which states as follows:

**1. The issuer should be a Company incorporated Under Companies Act, 2013**

Our Company is incorporated under the Companies Act, 1956/2013

**2. The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.**

The post issue paid up capital of the Company will be less than Rs. 25 crores.

**3. Track Record****A) Our Company have a (combined) track record of at least 3 years.**

Our Company satisfies the criteria of Track Record

(Rs. in lakhs)

Particulars	For the period of Six-Month September 30, 2022	As on March 31, 2022	As on 31st March 2021	As on 31st March 2020
Net Profit as per Restated Financial Statement	35.55	47.87	22.74	36.36

**B) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive**

*(Rs. in lakhs)*

Particulars	For the period of Six-Month September 30, 2022	As on March 31 <sup>st</sup> , 2022	As on March 31 <sup>st</sup> , 2021	As on March 31 <sup>st</sup> , 2020
Cash Accruals as per restated Financial Statement	69.42	116.86	117.43	107.76
Net Worth as per Restated Financial Statements	555.63	289.57	40.20	17.47

**4. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN: INE0H4B01011

**5. Company shall mandatorily have a website.**

Our Company has a live and operational website is [www.leadreclaim.com](http://www.leadreclaim.com)

**6. Other Listing Condition:**

- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to NSE India for listing on Emerge Platform of NSE India.
- No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.
- There are no criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For further details please refer the section titled "**Legal and Other Information**" on page 238 of this Draft Prospectus
- The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of

litigation. For further details please refer the section titled “*Legal and Other Information*” on page 238 of this Draft Prospectus.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the Emerge Platform of the NSE India.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **SEBI DISCLAIMER CLAUSE**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT PROSPECTUS. THE LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 13, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO, TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE LEAD MANAGER**

Our Company, our Directors and the LM accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company’s website [www.leadreclaim.com](http://www.leadreclaim.com) would be doing so at his or her own risk.



The LM accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement entered into between the Underwriters and our Company. All information shall be made available by our Company and the LM to the investors and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

## **CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs. 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ahmedabad, Gujarat, India only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with NSE India for its observations and NSE India will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an

exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE INDIA**

As required, a copy of this Draft Prospectus has been submitted to Emerge Platform of NSE India. The Disclaimer Clause as intimated by the NSE India to us, post scrutiny of this Draft Prospectus will be produced by our Company in the Prospectus.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **LISTING**

Our company has obtained In-Principle approval from NSE India vide letter dated [●] to use name of NSE India in this offer document for listing of equity shares on Emerge Platform of NSE India, with which Basis of Allotment will be finalized.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-Principle approval from EMERGE Platform of NSE India. Application will be made to the EMERGE Platform of NSE India for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE India is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permission to deal in and for an official quotation of the Equity Shares on the EMERGE Platform of NSE India is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE India mentioned above are taken within 6 Working Days of the Issue Closing Date.

#### **CONSENTS**

The written consents of our Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Reviewed Auditor, Legal Advisor to the Issue, Bankers to our Company, Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Banker to Issue and Sponsor Bank to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. S D P M & Co., Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements and statement of Tax Benefits dated November 05, 2022 and November 05, 2022 respectively, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

***“Any person who –***

***(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

***(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

***(c) vis-à-vis 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 of Companies Act, 2013.”***

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten 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.

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Fedex Securities Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at [www.fedsec.in](http://www.fedsec.in)

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY FEDEX SECURITIES PRIVATE LIMITED**

**TABLE 1**

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [ +/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [ +/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [ +/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	Rajeshwari Cans Limited	4.03	20	April 15 2021	20.75	-10.00% (-0.15%)	7.00 % (8.13%)	2.50% (23.06%)
2.	Kuberan Global Edu Solutions Limited	1.16	20	May 05, 2021	21.00	-7.50% (7.30%)	-10.25% (8.78%)	-30.00% (24.95%)
3.	Aashka Hospitals Limited	101.64	121	September 01, 2021	121.1	-58.68% (3.12%)	-64.34% (-0.14%)	-62.89% (-1.90%)
4.	Euro Panel Products Limited	45.15	70	December 24, 2021	70.00	62.36% (0.85%)	39.29% (1.42%)	36.14% (-8.03%)
5.	Wherrelz IT Solutions Limited	2.011	171	December 29, 2021	173.05	19.88% (-0.92%)	18.13% (-0.37%)	16.96% (-8.11%)
6.	Sunrise Efficient Marketing Limited	16.69	121	April 12, 2022	121.25	0.41% (-7.66%)	-20.00% (-7.14%)	-9.92% (-1.00%)

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [ +/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [ +/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [ +/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
7.	Le Merite Exports Limited	48.00	75	May 09, 2022	75	-5.13% (0.70%)	-16.00% (7.50%)	-15.27% (273.89%)
8.	Kesar India Limited	15.82	170	July 12, 2022	172.5	47.35% (9.15%)	31.76% (7.62%)	Not Applicable
9.	Virtuoso Optoelectronics Limited	30.24	56	Thursday, September 15, 2022	117	183.75% (-3.36%)	Not Applicable	Not Applicable
10.	Tapi Fruit Processing Limited	5.21	48	Thursday, September 22, 2022	52.10	4.38% (-0.30%)	Not Applicable	Not Applicable

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**Note:**

1. Opening price information as disclosed on the website of the Designated Stock Exchange.
2. Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.
3. For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
4. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
5. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
6. This disclosure is restricted to last 10 issues handled by the Lead Manager.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPO	Total funds Raised (Rs.. Cr)	Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar Day from listing date		
			Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
<b>2020-21</b>	<b>*2</b>	<b>49.64</b>	-	-	1	-	-	1	-	-	1	1	-	-
<b>2021-22</b>	<b>**5</b>	<b>153.99</b>	1	-	2	1	-	1	1	1	-	-	1	2
<b>2022-23</b>	<b>***5</b>	<b>115.96</b>	-	-	1	1	1	2	-	-	2	-	-	-

*\*The script of Atmvalbs Limited and Rangoli Tradecomm Limited were listed on October 6, 2020 and March 22, 2021 respectively.*

*\*\*The script of Rajeshwari Cans Limited, Kuberan Global Edu Solutions Limited, Aashka Hospitals Limited, Euro Panel Products Limited and Wherrelz IT Solutions Limited were listed on April 15, 2021, May 05, 2021, September 01, 2021, December 24, 2021 and December 29, 2021 respectively.*

*\*\*\* The scripts of Sunrise Efficient Marketing Limited and Le Merite Exports Limited and Kesar India Limited were listed on April 12, 2022, May 09, 2022 and July 12, 2022, respectively. The scripts of Kesar India Limited was listed on July 12, 2022, and have not completed 180 calendar days. The scripts of Virtuoso Optoelectronics Limited and Tapi Fruit Processing Limited were listed on September 15, 2022 and September 22, 2022, respectively and have not completed 90 calendar days.*

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Lead Manager are provided. Track Record of past issues handled by Fedex Securities Private Limited.

### **TRACK RECORD OF PAST ISSUES HANDLED BY FEDEX SECURITIES PRIVATE LIMITED**

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: [www.fedsec.in](http://www.fedsec.in).

### **EXPERT OPINION**

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

(a) Peer Review Auditors' reports dated November 05, 2022, on the Restated Financial Statements by M/s. S D P M & Co., Chartered Accountants.

(b) Statement of Tax Benefits dated November 05, 2022 by M/s. S D P M & Co., Chartered Accountants.

### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 73 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last Five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

### **COMMISSION OR BROKERAGE**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

### **CAPITAL ISSUE DURING THE PREVIOUS THREE (3) YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY**

Except as disclosed in Chapter titled "*Capital Structure*" on page 73 of this Draft Prospectus our Company has not made any capital issue during the previous three (3) years.

Further Our Company do not have any listed group Companies/ Subsidiaries / Associates.

### **PERFORMANCE VIS-À-VIS objects;**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 73 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies have their equity shares listed on any stock exchange.

### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS GRANTED BY SEBI**

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

### **STOCK MARKET DATA FOR OUR EQUITY SHARES**



This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

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

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

The Company shall obtain authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on October 14, 2022. For further details, please refer the chapter titled “*Our Management*” beginning on page no. 161 of this Draft Prospectus.

Our Company has also appointed Arti Totla as the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

**ARTI TOTLA**

**LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**

A/8, Sunvilla Complex,

Near Chines Hut Hotel Dahej,

By Pass Road, Bharuch – 392001,

Gujarat, India.

**Tel No:** +91 73590 10333

**Fax No:** NA

**Email:** [info@leadrubber.com](mailto:info@leadrubber.com)

**Website:** [www.leadreclaim.com](http://www.leadreclaim.com)

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

## SECTION VIII – ISSUE INFORMATION

### TERMS OF ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “**UPI Circular**”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“**UPI Phase II**”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application for Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of upto 19,50,000 Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on October 14, 2022 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-ordinary General Meeting held on October 18, 2022 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the issue shall be subject to the provisions of the Companies Act 2013 and our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “**Main Provisions of the Articles of Association**” beginning on page 301 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company.

We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to sections titled "**Dividend Policy**" and "**Main Provisions of Articles of Association**" beginning on pages 189 and 301 respectively of this Draft Prospectus.

### **Face Value and Issue Price**

*The face value of the Equity Shares is Rs. 10.00/- each and the Issue Price is Rs. [ ● ]/- per Equity Share (including premium of Rs. [ ● ]/- per Equity Share).*

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "**Basis for Issue Price**" beginning on page 116 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer/ issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "**Main Provisions of Articles of Association**" beginning on page 301 of this Draft Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by Emerge Platform of NSE India from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within Four (4) working days of closure of issue.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad, Gujarat, India.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first applicant, along with other joint applicant, may nominate any one (1) person in whom, in the event of the death of sole applicant or in case of Joint Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a

fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Period of Operation of Subscription List of Public Issue**

<b>ISSUE OPENS ON</b>	[ ● ]
<b>ISSUE CLOSES ON</b>	[ ● ]
<b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE</b>	[ ● ]
<b>INITIATION OF REFUNDS / UNBLOCKING OF FUNDS FROM ASBA ACCOUNT</b>	[ ● ]
<b>CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES</b>	[ ● ]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE</b>	[ ● ]

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266 (3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances or for reason considered necessary by our Company, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days*

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE EMERGE taken within six (6) Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from Emerge Platform of NSE India. The Commencement of trading of the Equity Shares will be entirely at the discretion of NSE India and in accordance with the applicable laws.

**Submission of Application Forms:**

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00 p.m. IST

***On the Issue Closing Date, the Applications shall be uploaded until:***

1. Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchange.
3. In case of UPI Mandate, the end time and date shall be 12:00 P.M. on [ ● ].

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in the Prospectus are Indian Standard Time (IST). Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Promoter or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within Six (6) Working Days from the Issue Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Promoter, as may be required in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Issue Period by our Board, as applicable, in consultation with the Lead Manager. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Six Working Days from the Issue Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Issue Closing Date, the Bidder shall be compensated at a uniform rate of Rs. 100 per day for the entire duration of delay exceeding Four (4) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead



Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus/prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change basis any revised SEBI circulars to this effect.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate Rs. 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of Rs.100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received NSE EMERGE may be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the Issue through Prospectus on the date of closure of the issue including devolvment of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so Issued under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a)

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within Four (4) working days of closure of issue.

### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of [ ● ] Equity shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE India.

### **Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the Pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter titled "**Capital Structure**" beginning on page 73 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "**Main Provisions of the Articles of Association**" beginning on page 301 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants 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.*

### **New Financial Instruments**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Allotment of Equity Shares Only in Dematerialized Form**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialized form.

As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialized form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Prospectus:

- Tripartite agreement dated March 16, 2021 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated March 26, 2021 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **MIGRATION TO MAIN BOARD**

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of NSE India from the Emerge Platform of NSE India on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above Rs.25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE India for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

2. If the paid-up capital of the Company is more than Rs.10 crores but below Rs.25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **MARKET MAKING**

The shares offered through this issue is proposed to be listed on the EMERGE Platform of NSE India, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge Platform of NSE India for a minimum period of three (3) years from the date of listing of shares offered through this Prospectus. For further details of the market making arrangement please refer the chapter titled “***General Information***” beginning on page 62 of this Draft Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue Face value capital is less than or equal to Rs. 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue please refer to the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 258 and 264 respectively of this Draft Prospectus.

Fresh issue of Upto 19,50,000 equity shares of face value of Rs. 10.00/- each for cash at a price of Rs. [●]/- per equity share including a share premium of Rs. [●]/- per equity share (the “issue price”) aggregating to maximum Rs. [●] Lakhs. (“the issue”) by our company.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares	[●]*	[●]
Percentage of Issue Size available for allocation	[●]	[●]
Basis of Allotment/Allocation of respective category if is oversubscribed	Proportionate subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each.	Firm Allotment
Mode of Application	Retail Individual Investor may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI ID) shall apply through ASBA process only.	Through ASBA mode Only.
Minimum Application Size	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds Rs. 2,00,000  <b>For Retail Individuals:</b> Such number of equity shares where application size is of at least [●] Equity Shares.	[●] Equity Shares
Maximum Bid	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed the Net Issue.	[●] Equity Shares

Particulars	Net Issue to Public	Market Maker Reservation Portion
	<b>For Retail Individuals:</b> Such number of equity Shares so that the Application Value does not exceed Rs. 2,00,000/-	
<b>Mode of Allotment</b>	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
<b>Trading Lot</b>	[ ● ] Equity Shares	[ ● ] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of payment</b>	In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant.	

\* 50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are available for applications whose value is above Rs. 2,00,000.

*Note:*

- In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.*
- Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
- SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details please refer chapter titled “**Issue Procedure**” beginning on page 264 of this Draft Prospectus.*

## ISSUE PROCEDURE

*All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft Prospectus.*



*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs. 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.*

The revisions of the circular dated June 02, 2021 are elaborated as under: -

- SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.
- The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
- In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.
- The Stock Exchanges and Book Running Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
- The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
- Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

## **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

***Phase I:***

This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

***Phase II:***

This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

***Phase III:***

The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement of or SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

**FIXED PRICE ISSUE PROCEDURE**

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail

Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.**

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

- a) The Designated Intermediary may register the Application using the online facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Fixed Process on a regular basis before the closure of the Issuer.
- b) On the Application/Issuer Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 p.m. IST on the next Working Day following the Application/Issuer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Application/Issuer Period after which the Stock Exchange send the information to the Registrar to the Issue for further processing.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

Copies of the Application Form and the Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

*\*Excluding electronic Application Form.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic Bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including

UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

Application Forms will also be available on the website of the NSE (<https://www1.nseindia.com/emerge>). Same Application Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

## **SUBMISSION AND ACCEPTANCE OF APPLICATION FORM**

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”).

<b>Sr No.</b>	<b>Designated Intermediaries</b>
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4.	A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	Registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other</b>	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).

**than SCSBs with use of UPI for payment:**

Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/ClientID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

### **WHO CAN APPLY?**

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;

12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRI)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii)**



outside the United States in offshore transactions in reliance on Regulations S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### ***For Retails Individual Applicants***

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed Rs. 2,00,000.

### ***For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):***

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Bid.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

### **Participation by associates/affiliates of Lead Manager**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

### **Option to Subscribe to the Issue**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialized subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

### **Application By HUF**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ,

where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

### **Application by Indian Public including eligible NRIs applying on Non-Repatriation**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors (other than minor having valid depository accounts as per demographic details provided by the depository), Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

### **Application by Eligible NRIs/FII’s on Repatriation Basis**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme (“PIS”) is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

### **Application by FPIs**

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI 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 issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ nor An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

### **Application by SEBI registered VCFs, AIFs and FVCIs**

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

**Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Application by provident funds/ pension funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application, without assigning any reason thereof

#### **Application by limited liability partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application without assigning any reason thereof.

#### **Application by Banking Companies**

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **Application by Insurance Companies**

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

- i. Equity shares of a company: the lower of 10% of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;
- ii. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- iii. The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000 million or more but less than Rs. 2,500,000 million.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

### **Application by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

### **Application by Systemically Important Non-Banking Financial Companies**

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Application under Power of Attorney**

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of Rs. 2,500 Lakhs and pension funds with a minimum corpus of Rs. 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or

the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- With respect to Applications made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

#### **Application by OCBs**

In accordance with RBI regulations, OCBs cannot participate in this Issue.

#### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **ASBA Process and Electronic Registration of Application**

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an

amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

**APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER/SCSBS/REGISTRAR AND SHARE TRANSFER AGENTS/DEPOSITORY PARTICIPANTS/STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.**

#### **Who can apply?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

#### **Mode of Payment**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

**Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.**

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.



## **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

## **Terms of payment**

The entire Issue price of Rs. [●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

## **Payment Mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

## **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

### **Who can apply through UPI Mode?**

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

### **Process**

**Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).**

### **Blocking of Funds:**

- a) Investors shall create UPI ID

- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

#### **Unblocking of funds:**

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

#### **REJECTION GROUNDS UNDER UPI PAYMENT MECHANISM**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **LIST OF BANKS PROVIDING UPI FACILITY**

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

*Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.*

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange.
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
  1. Name of the Applicant;
  2. IPO Name;
  3. Application Form number;
  4. Investor Category;
  5. PAN (of First Applicant, if more than one Applicant);
  6. DP ID of the demat account of the Applicant;
  7. Client Identification Number of the demat account of the Applicant;
  8. UPI ID (RIIs applying through UPI Mechanism)
  9. Numbers of Equity Shares Applied for;
  10. Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  11. Bank account number

12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such Applications are liable to be rejected.

## **WITHDRAWAL OF APPLICATIONS**

RIIs can withdraw their applications until Issue Closing Date. In case a RII wishes to withdraw the applications during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.

The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## **SIGNING OF UNDERWRITING AGREEMENT**

The issue is 100% Underwritten. For further details please refer to the Chapter titled “*General Information*” on page 62 of this Draft Prospectus.

## **FILING OF THE DRAFT PROSPECTUS**

For filing details, please refer to the Chapter titled “*General Information*” beginning on page 62 of this Draft Prospectus.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where registered office of the Company is situated.

### **PRICE DISCOVERY AND ALLOCATION OF EQUITY SHARES**

- a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
- b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
- c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e) Allotment status details shall be available on the website of the Registrar to the Issue.

### **ISSUANCE OF ALLOTMENT ADVICE**

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.

- 1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- 2. Issuer will ensure that: (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.
- 3. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

### **ISSUANCE OF CONFIRMATION ALLOCATION NOTE ("CAN")**

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Issue Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated

to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.

- c) In the event the Issue Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

### **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

### **GENERAL INSTRUCTIONS**

Applicants are requested to note the additional instructions provided below.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, UPI ID (if applicable), DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic for Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
6. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI-linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
9. Ensure that you request for and receive a stamped acknowledgement of your Application;
10. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds

equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner.

12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the central or the state government and officials appointed by the courts and for Applicants residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same. All other applications in which PAN is not mentioned will be rejected.
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the eighth schedule to the Constitution of India are attested by a magistrate or a notary public or a special executive magistrate under official seal;
16. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
20. Since the allotment will be in dematerialised form only, Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
22. Ensure that you have correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI



Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;

24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
26. Applicants, other than Retail Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
27. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
28. In case of ASBA Applicants (other than Retail Individual Investors using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
29. Once the Sponsor Bank Issues the UPI Mandate Request, the Retail Individual Investors would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
30. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
31. Retail Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Retail Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in the Retail Individual Investors ASBA Account.
32. Retail Individual Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;

33. Retail Individual Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;
34. Retail Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
35. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
36. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
37. Retail Individual Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date.
38. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
4. Do not apply by another Application Form after submission of Application to the Designated Intermediary.
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the LM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. Do not submit the Application Forms to any non-SCSB bank or our Company;
8. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
10. If you are a Retail Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
11. Do not submit the Application Forms to any Designated Intermediary that is not authorised to collect the relevant Application Forms or to our Company;
12. If you are a Retail Individual Applicant, do not apply for an exceeding Rs. 200,000;
13. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;

14. Do not submit the General Index Register number instead of the PAN;
15. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
17. If you are a Retail Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
19. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
20. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
21. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
22. Do not submit an Application if you are not competent to contract under the Indian Contract Act, 1872, (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
23. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise their applications during the Issue Period and withdraw their Applicants on or before the Issue Closing Date;
24. Do not apply for shares more than specified by respective Stock Exchanges for each category;
25. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Individual Investor using the UPI mechanism;
26. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
27. Do not apply if you are an OCB.
28. Do not submit incorrect UPI ID details, if you are a Retail Individual Investors applying through UPI Mechanism;
29. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
30. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
31. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

**The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Instructions for completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

#### **Applicant’s Depository Account and Bank Details**

**Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant’s bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **OTHER INSTRUCTIONS**

##### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

##### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER ("PAN")**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered

incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

## **GROUND FOR TECHNICAL REJECTIONS**

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Application Form;
- e. GIR number furnished instead of PAN;
- f. Applications for lower number of Equity Shares than specified for that category of investors;
- g. Applications at a price other than the Fixed Price of the Issue;
- h. Applications for number of Equity Shares which are not in multiples as stated in the chapter titled "Issue Structure";
- i. Category not ticked;
- j. Multiple Applications as defined in the Prospectus;
- k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m. Signature of the First Applicant or sole Applicant is missing;
- n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q. Applications by OCBs;

- r. Applications by US persons other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- s. Applications not duly signed;
- t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.
- z. Applications under the UPI Mechanism submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI;
- bb. Applications submitted on a plain paper.
- cc. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL AND CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

- a) A tripartite agreement dated March 16, 2021 with NSDL, our Company and Registrar to the Issue;
- b) A tripartite agreement dated March 26, 2021 with CDSL, our Company and Registrar to the Issue;

The Company’s shares bear an ISIN No: INE0H4B01011

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.



- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Company Secretary and Compliance Officer (Arti Totla) or the Registrar to the Issue in case of any Pre-Issue or Post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**

<b>LEAD RECLAIM AND RUBBER PRODUCTS LIMITED</b>  A/8, Sunvilla complex, Near Chines Hut, Hotel Dahej By pass road Bharuch - 392001, Gujarat, India <b>Tel No:</b> 91+ 73590 10333 <b>Email:</b> <a href="mailto:info@leadrubber.com">info@leadrubber.com</a> <b>Website:</b> <a href="http://www.leadrubber.com">www.leadrubber.com</a>	<b>BIGSHARE SERVICES PRIVATE LIMITED</b>  Office No. S6-2 6 <sup>th</sup> Floor, Pinnacle Business Park Next to Ahura Centre, Mahakali Caves Road Andheri East, Mumbai – 400093, Maharashtra, India  <b>Tel No.:</b> +91-022-6263 8200 <b>Fax no:</b> +91 -022 6263 8299 <b>Contact Person:</b> Aniket Chindarkar <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>  <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>  <b>SEBI Registration No:</b> INR000001385
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## Disposal of Applications

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Bid/Issue Closing Date.

## IMPERSONATION

Attention of the Applicant is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or shall be liable for action under Section 447”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of over subscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a. Each successful applicant shall be allotted [●] equity shares; and
  - b. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Prospectus.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a. A minimum of 50% of the net Issue of shares to the Public shall initially be made available

for allotment to retail individual investors as the case may be.

- b. The balance net Issue of shares to the public shall be made available for allotment to a) individual applicants other than retail individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
- c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “*Basis of Allotment*” of this Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue.**

**There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **AT PAR FACILITY**

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that “at par” facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

#### **GROUND FOR REFUND**

##### *Non-Receipt of Listing Permission*

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchange from where such permission is sought are disclosed in this Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of this Draft Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank / Bankers to the

Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within Four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in this Draft Prospectus.

#### *Minimum Subscription*

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such period of 30 days from the date of the Draft Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

#### *Minimum Number of Allottees*

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than fifty (50), failing which the entire application monies may be refunded forthwith.

### **MODE OF REFUNDS**

- a) **In case of ASBA Bids:** Within Four (4) Working Days of the Bid / Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- c) **In case of Investors:** Within Four (4) Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Issue may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### **MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS**

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Issue or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription of 100% of the Issue, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to this Draft Prospectus.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum (15% p.a.) if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

#### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 4 Working Days of the Issue Closing Date.

#### **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. That funds required for making refunds / unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus with Stock Exchange/ RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;

#### **Utilization of Issue Proceeds**

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the wholesale trading sector, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 264 of this Draft Prospectus. Each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Investor shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue/ Period.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state**



**securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Issue may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Investors. Our Company, and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares Issue for do not exceed the applicable limits under laws or regulations.

## **SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

### **THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES**

#### **ARTICLES OF ASSOCIATION OF LEAD RECLAIM AND RUBBER PRODUCTS LIMITED**

*(Incorporated under the Companies Act, 1956)* **PRELIMINARY**

##### **APPLICABILITY OF TABLE “F”**

Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

##### **DEFINITIONS AND INTERPRETATION**

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force. In these Articles:

“**Act**” shall mean the Companies Act, 2013 including any statutory modification or amendment thereto or re-enactment thereof, together with the rules and regulations framed thereunder;

“**Alternate Director**” shall have the meaning ascribed to it in Article 122 of these Articles;

“**Articles**” shall mean the articles of association of the Company;

“**Authorized Share Capital**” has the meaning assigned to it in Article 4 of these Articles;

“**Beneficial Owner**” means a person whose name is recorded as such with a Depository;

“**Board**” or “**Board of Directors**” shall mean the board of directors of the Company;

“**Depositories Act**” shall mean and include the Depositories Act, 1996 and any statutory modifications or re-enactments thereof from time to time;

“**Depository**” shall mean a Depository as defined under clause (e) of sub-section (1) of section 2 of the Depositories Act and includes a company registered under the Act, which has been granted a Certificate of Registration under sub section 1(A) of section 12 of the Securities and Exchange Board of India Act, 1992;

“**Director**” means a director for the time being of the Company and includes any person appointed as a director of the Company in accordance with these Articles and the provisions of the Act, from time to time;

“**General Meeting**” means any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting;

“**Member**” means a member of the Company within the meaning of sub-Section (55) of Section 2 of the Act, as amended from time to time;

“**Memorandum**” or “**Memorandum of Association**” shall mean the memorandum of association of the Company;

“**Original Director**” shall have the meaning ascribed to it in Article 122 of these Articles;

“**Share**” means a share in the Share Capital of the Company and includes stock;

“**Share Capital**” means the share capital of the Company comprising equity shares and the preference shares as may be issued by the Company from time to time;

“**Shareholder**” shall mean a Member of the Company; and

“**Securities**” shall mean securities as defined under Section 2 (81) of the Act.

The terms “*writing*” or “*written*” include printing, typewriting, lithography, photography and any other mode or modes (including electronic mode) of representing or reproducing words in a legible and non-transitory form;

The headings hereto shall not affect the construction hereof.

Notwithstanding anything contained in these Articles, any reference to a “*person*” in these Articles shall, unless the context otherwise requires, be construed to include a reference to a body corporate or an association, any individual, company, partnership, joint venture, firm, trust or body of individuals (whether incorporated or not).

Any reference to a particular statute or provisions of the statute shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires, include any statutory amendment, modification or re-enactment thereof.

Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.

### **General Authority**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that Company cannot carry out any transaction unless the Company is so authorised by its Articles then in that case, the Articles hereby authorise and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act.

## **PUBLIC COMPANY**

The Company is a public company within the meaning of the Act.

## **SHARE CAPITAL**

1. The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.
2. Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to compliance with Section 53 of the Act, at a discount as they may, from time to time, think fit and proper, and may also issue and allot Shares in the capital of the Company in payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the conduct of its business and the Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in a General

Meeting.

3. Where at any time, it is proposed to increase its subscribed capital by the issue/allotment of further Shares either out of the unissued capital or increased Share Capital then, such further Shares may be offered to:

- (a) persons who, at the date of offer, are holders of Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (i) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in (i) shall contain a statement of this right; and (iii) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

Nothing in sub-Article (a) (ii) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

- (b) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or
- (c) any persons, whether or not those persons include the persons referred to in (a) or (b) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act, if a special resolution to this effect is passed by the Company in a General Meeting.
4. Nothing in Article 6 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company or to subscribe for Shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.
5. A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act. Save as otherwise provided herein, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other person.
6. The Company may issue the following kinds of Shares in accordance with these Articles, the Act and other applicable laws:
- (i) Equity Share Capital:
- (a) with voting rights; and / or
- (b) with differential rights as to dividend, voting or otherwise; and

(ii) Preference Share Capital

For the purposes of this Clause, equity share capital and preference share capital shall have the same meaning as ascribed to them under section 43 of the Companies Act, 2013.

7. Except as otherwise provided by the conditions of issue of the Shares or by these Articles, any capital raised by creation of new Shares shall be considered as part of the existing Share Capital and shall be subject to the provisions of these Articles and the Act with reference to payment of calls and installments, transfer, transmission, forfeiture, lien, surrender, voting rights and otherwise.
8. Subject to the provisions of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution determine.
9. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue preference share capital carrying a right of redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of such redemption or liable to be redeemed at the option of the Company, and the Board may, subject to the provisions of the Act, exercise such power in such manner as it may think fit. The period of redemption of such preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act.
10. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate general meeting of the holders of the Shares of that class, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
11. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.
12. Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.
13. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution and subject to the provisions of the Act.
14. Subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act, the Company shall have the power to buy- back its own Shares or other securities, as it may consider necessary.
15. Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws.

## **COMMISSION**

16. The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
17. The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules.
18. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.

## **SHARES AND SHARE CERTIFICATES**

19. The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a “foreign register” of Members or debenture holders resident in that country.
20. Every Person whose name is entered as a Member in the register of members shall be entitled to receive:
  - (i) one (1) or more certificates in marketable lots for all the Shares of each class or denomination registered in his name, without payment of any charge; or
  - (ii) several certificates, if the Board so approves (upon paying such fee as the Board so determines), each for one (1) or more of such Shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be.
21. Every certificate shall be under the seal, if any, and shall specify the number and distinctive numbers of the Shares to which it relates and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.
22. In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a Share to 1 (one) or several joint holders shall be sufficient delivery to all such holders. Any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation. Every certificate shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rs. 50 (Rupees fifty) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.
23. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Notwithstanding the foregoing provisions of this Article 26, the Board shall comply with applicable law including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

24. Subject to the provisions of the Act, the provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures of the Company.
25. If any Share stands in the names of 2 (two) or more persons, the person first named in the Register of Members of the Company shall as regards voting at Board meetings and General Meetings, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, installments and calls due in respect of such Shares and for all incidents thereof according to the Company's Articles.

### **CALLS ON SHARES**

26. Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.
27. Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
28. A call may be revoked or postponed at the discretion of the Board.
29. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
30. The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
31. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine.
32. The Board shall be at liberty to waive payment of any such interest wholly or in part.
33. Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
34. The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the member paying such sum in advance agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis*



apply to any calls on debentures of the Company.

35. Where any calls for further Share Capital are made on the Shares of a class, such calls shall be made on a uniform basis on all Shares falling under that class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

#### **DEMATERIALIZATION OF SECURITIES**

36. Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its securities and offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and the regulations made thereunder.
37. Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a Beneficial Owner, re-materialize the securities, which are in dematerialized form.
38. Every person subscribing to the securities offered by the Company shall have the option to receive share certificates or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of securities.
39. If a person opts to hold his securities with a Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.
40. All securities held by a Depository shall be dematerialized and shall be in a fungible form.
- (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of securities on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
41. Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be the owner of such securities. The Beneficial Owner of the securities shall be entitled to all the liabilities in respect of his securities which are held by a Depository.
42. Notwithstanding anything in the Act or the Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.
43. Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

#### **LIEN**

44. The Company shall have a first and paramount lien on every Share or debenture (not being a fully paid-up Share or debenture) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture and no equitable interest in any Share or debenture shall be

created except upon the footing and condition that this Article will have full effect. Fully paid-up Shares shall be free from all liens.

Provided that the Board may at any time declare any Shares or debentures wholly or in part to be exempt from the provisions of this Article.

45. The Company's lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such Shares.
46. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien, provided that no sale shall be made:
  - (a) unless a sum in respect of which the lien exists is presently payable;
  - (b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
47. Unless otherwise agreed, the registration of a transfer of Shares or debentures shall operate as a waiver of the Company's lien, if any, on such Shares or debentures.
48. The following shall apply to any sale of Shares referred to in Article 49 above:
  - (a) The Board shall authorise some person to transfer the Shares sold to the purchaser thereof;
  - (b) The purchaser shall be registered as the holder of the Shares that are the subject of any such transfer;
  - (c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale;
  - (d) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable;
  - (e) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.
49. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.

#### **TRANSFER OF SHARES**

50. The securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members/ register of Beneficial holder in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.
51. Subject to the provisions of the Act, these Articles and any other applicable law for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 1 (one) month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or

transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

52. Save as otherwise provided in the Act, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of shares, and if no such certificate is in existence, then the letter of allotment of the shares. Application for the registration of the transfer of a share may be made either by the transferor or by the transferee provided that where such application is made by the transferor, no registration shall, in the case of a partly paid share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 weeks from the date of receipt of the notice, enter in the register the name of the transferee on the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. . On giving not less than 7 days previous notice in accordance with the Act or any other time period as may be specified by law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 days at any one time or for more than 45 days in the aggregate in any year.
53. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

#### **TRANSMISSION OF SHARES**

54. On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons.
55. Any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:
- (a) to be registered as holder of the Share; or
  - (b) to make such transfer of the Share as the deceased or insolvent Member could have made.
56. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
57. If the person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
58. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.
59. All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

60. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

### **FORFEITURE OF SHARES**

If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

61. The notice issued under Article 64 shall:
- (a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.
62. If the requirement of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
63. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
64. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
65. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the person to the Company in respect of the Shares.
66. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
67. A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all person claiming to be entitled to the Share.
68. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or otherwise disposed of.
69. The transferee shall there upon be registered as the holder of the Share.
70. The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

71. The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF SHARE CAPITAL**

72. Subject to these Articles and the provisions of the Act, the Company may, from time to time, by ordinary resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.
73. Subject to the provisions of the Act, the Company may from time to time by ordinary resolution, undertake any of the following:
- (a) consolidate or divide, all or any of the Share Capital into Shares of larger amount than its existing Shares;
  - (b) convert all or any of its fully paid-up Shares into stock, and re-convert that stock into fully paid-up Shares of any denomination;
  - (c) sub-divide its existing Shares or any number of them into Shares of smaller amount than is fixed by the Memorandum of Association of the Company, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or
  - (d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.
74. Subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable law:
- (a) the Share Capital;
  - (b) any capital redemption reserve account; or
  - (c) any Share premium account.

#### **CONVERSION OF SHARES INTO STOCK**

75. Where Shares are converted into stock:
- (a) the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same Article under which, the Shares from which the stock arose might before the conversion have been transferred, or as near there to as circumstances admit, *provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which the stock arose;
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in Shares, have conferred that privilege or advantage; and
  - (c) such of the Articles, as are applicable to paid-up Shares shall apply to stock and the words “*share*” ,

“shareholder” and “Member” in those Articles shall include “stock” and “stock holder” respectively.

### GENERAL MEETINGS

76. An annual General Meeting shall be held each year within the period specified by the Applicable Law. Not more than 15 (fifteen) months shall elapse between the date of one annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any annual General Meeting may be held. Every annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.
77. Any General Meeting other than an annual General Meeting shall be called extraordinary general meeting.
78. The Board may, whenever it thinks fit, call an extraordinary general meeting.
79. The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

### PROCEEDINGS AT GENERAL MEETINGS

80. A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days’ notice either in writing or through electronic mode in such manner as prescribed under the Act, *provided that* a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety-five percent) of the Members entitled to vote at such meeting.

Notice of every meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by section 20 of the Act
81. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
82. Notwithstanding anything contained elsewhere in these Articles, the Company:
  - (a) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable law required to be transacted only by means of postal ballot; and
  - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal ballot,

in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Shareholders by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.
83. Directors may attend and speak at General Meetings, whether or not they are Shareholders.
84. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and the Articles.
85. The chairperson, if any, of the Board shall preside as chairperson at every General Meeting of the

Company. If there is no such chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall choose one of the Directors present to be chairperson of the meeting.

86. If at any General Meeting no Director is willing to act as chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the general meeting, the Members present shall choose one of the Members to be chairperson of such general meeting.

No business shall be discussed at any General Meeting except the election of the Chairperson whilst the Chair is vacant. If a poll is demanded on the election of the Chairperson it shall be taken forthwith in accordance with the provisions of the Act and these Articles.

87. The chairperson may, with the consent of Members at any general meeting at which a quorum is present, and shall, if so directed by the General Meeting, adjourn the General Meeting from time to time and from place to place.

88. In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Article 83 herein read with Section 100 of the Act shall stand cancelled.

89. In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

90. No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place.

91. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned General Meeting.

92. The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.

93. If at the adjourned meeting too a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.

94. Any act or resolution which, under the provision of these Articles or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or such resolution passed by a special resolution or by a unanimous approval of all the Members.

#### **VOTES OF MEMBERS**

95. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

- (a) on a show of hands, every Member present in person shall have 1 (one) vote; and
- (b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Share Capital.

96. The Chairman at any General Meeting shall not have a second or casting vote.

97. At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on



show of hands) demanded by any Member or Members present in person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than Rs. 500,000 (Rupees five lakh) or such higher amount as may be prescribed has been paid up.

- 98. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 99. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.
- 100. In case of joint holders, the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company.
- 101. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 102. No Member shall be entitled to exercise any voting rights either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.
- 103. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose.
- 104. Any such objection made in due time shall be referred to the chairperson of the General Meeting whose decision shall be final and conclusive.

### **PROXY**

- 105. Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting.
- 106. The proxy shall not be entitled to vote except on a poll.
- 107. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 108. An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.
- 109. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of

which the proxy is given; provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used.

## **DIRECTORS**

110. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution.
111. The Subscribers to the Memorandum of Association are the first Directors of the Company.
112. Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.
113. Subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other.
114. Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.
115. In addition to the remuneration payable to them in pursuance of the Act, the Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meeting of the Board or any committee thereof or General Meetings of the Company and any other expenses properly incurred by them in connection with the business of the Company. If authorized by the Board, the Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the applicable provisions of the Act.
116. A Director shall not be required to hold any qualification shares in the Company.
117. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an additional director provided that the number of the Directors and additional Directors together shall not at any time exceed the maximum number fixed as above and any person so appointed as an additional Director shall retain his office only up to the date of the next annual General Meeting or last date on which the annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company.
118. In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an “**Original Director**”), subject to these Articles, the Board may appoint another Director (an “**Alternate Director**”) for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director’s absence. No Person shall be appointed as an Alternate Director to an independent Director unless such Person is qualified to be appointed as an independent Director of the Company. Any person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India

- 119.** The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act or the rules framed thereunder. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following general meeting. Such Director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.
- The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.
- 120.** At any annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act.
- 121.** If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

### **PROCEEDINGS OF THE BOARD**

- 122.** The Board may meet for the conduct of business and may adjourn and otherwise regulate its meetings, as it thinks fit.
- 123.** A Director may and the manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
- 124.** A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.
- 125.** Subject to the provisions of the Act and the rules framed thereunder, all or any of the Directors or members of any committee of the Board may participate in a meeting of the Directors or such committee through video conferencing or other audio-visual means.
- 126.** No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
- 127.** If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting

should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

128. The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
129. Subject to the provisions of the Act and the rules framed thereunder allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director. Each notice of a Board meeting shall:
  - (a) specify a reasonably detailed agenda. Unless waived in writing by all Directors, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board;
  - (b) be accompanied by any relevant supporting papers; and
  - (c) be sent by: (i) courier if sent to an address in India; or (ii) by e-mail or facsimile transmission if sent to an address outside India.
130. Save as otherwise expressly provided in the Act or these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes.
131. The Directors may from time to time elect a chairman who shall preside at the meetings of the Directors and determine the period for which he is to hold office. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be the chairperson of the meeting.
132. The chairperson of the Board, if any, shall not have any second or casting vote.
133. Subject to Act and the rules framed thereunder, the Board may transact any business, by circulating the resolution proposed in writing to all the Directors, together with the necessary explanatory papers, if any, to all Directors, and such written resolution shall be deemed to have been validly passed and shall take effect if approved by a majority of Directors entitled to vote.
134. Subject to provisions of the Act, the Board may delegate any of its powers to committees consisting of such Director or Directors as it thinks fit.
135. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
136. A committee may elect a chairperson of its meetings.
137. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of themselves to be the chairperson of the meeting.
138. A committee may meet and adjourn as it thinks fit.

- 139.** Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. The chairperson of the committee, if any, shall not have any second or casting vote.
- 140.** Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.
- 141.** Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established provided that every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.
- 142.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
- 143.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the Directors or of a committee of the Board, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
- 144.** Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 145.** Minutes of each meeting of the Board shall be circulated to all Directors.

### **POWERS OF DIRECTORS**

- 146.** The business of the Company shall be vested in the Board of Directors and the Board shall be responsible for the overall direction and management of the Company. Subject to the provisions of the Act, the Board shall have the right to delegate any of their powers to such committee of Directors, managing director, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.
- 147.** Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or

required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

148. The Board of Directors shall, or shall authorize persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable law, as may be required from time to time.
149. The Directors shall have the power to open and close bank accounts and operate the same generally, to sign cheques on behalf of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

#### **MANAGING/WHOLE-TIME DIRECTORS**

150. Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the Managing Director/ whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the Managing Director / whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf any may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
151. Subject to the provisions of any contract between him and the Company, the Managing Director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and shall *ipso facto* and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause.
152. Subject to the provisions of the Act, the Managing Director/Whole-time Director shall, in addition to the remuneration payable to him as a Director of the Company, receive such remuneration as may be sanctioned by the Board from time to time and such remuneration may be fixed by way of salary or commission or participation in profit, or perquisites and benefits or by some or all of these modes.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

153. Subject to the provisions of the Act, a chief executive officer, manager, company secretary or

chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.

- 154.** A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Subject to the provisions of the Act, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing director or chief executive officer at the same time.
- 155.** Any provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

### **BORROWING POWERS**

- 156.** Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.
- 157.** The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.
- 158.** Subject to the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

### **DIVIDENDS AND RESERVES**

- 159.** The Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits.
- 160.** Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
- 161.** The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be



applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

- 162.** Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.
- 163.** No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share.
- 164.** All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.
- 165.** The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.
- 166.** Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such person and to such address as the holder or joint holders may in writing direct.
- 167.** Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 168.** Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share.
- 169.** Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 170.** No dividend shall bear interest against the Company.
- 171.** Nothing herein shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.
- 172.** The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by

the Company in that behalf in any scheduled bank, to be called “Unpaid Dividend of Lead Reclaim and Rubber Products Limited”. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.

### **CAPITALISATION OF PROFITS**

**173.** The Company in a General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in Article 178 amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

**174.** The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 179, either in or towards:

- (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
- (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
- (c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.
- (d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
- (e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

**175.** Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
- (b) generally, do all acts and things required to give effect thereto.

**176.** The Board shall have power to:

- (a) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or debentures becoming distributable in fractions; and
- (b) authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares.

**177.** Any agreement made under such authority shall be effective and binding on such Members.

### **INDEMNITY**

**178.** Subject to the provisions of the Act, the Directors, secretary and the other officers for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs, executors and administrators, respectively, shall be indemnified out

of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office or trust except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own willful neglect or default respectively and no such officer or trustees shall be answerable for the acts, receipts, neglects or defaults, of any other officer or trustees or joining in any receipts for the sake of confirming or for the solvency or honesty of any bankers or other persons with whom any money or effects belonging to the Company may be lodged or deposited for safe custody or for any insufficiency or deficiency of any securities upon which any money of the Company shall be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen by the willful, neglect or default of such officer or trustee.

- 179.** The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

## **ACCOUNTS**

- 180.** Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, *provided that* all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the Registrar a notice in writing giving the full address of that other place, *provided further that* the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.
- 181.** The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts or books or documents of the Company, or any of them, shall be open to inspection by the Members not being Directors subject to provisions of the Act and these Articles.
- 182.** No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting.
- 183.** All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.
- 184.** The books of accounts of the Company relating to a period of not less than 8 (eight) years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

## **AUDIT**

- 185.** The statutory auditors of the company shall be appointed, their remuneration shall be fixed,

rights, duties and liabilities shall be regulated and their qualifications and disqualifications shall be in accordance with the provisions of Sections 139 to 148 (both inclusive) of the Act.

186. The Company shall at annual General Meeting appoint/reappoint the appointment of the statutory auditor to hold office, in the manner and for such period as prescribed under Section 139 of the Act.
187. The Directors may fill up any casual vacancy in the office of the auditors within 30 (thirty) days subject to the provisions of Section 139 and 140 of the Act and the rules framed thereunder.
188. The remuneration of the auditors shall be fixed by the Company in the annual General Meeting or in such a manner as the Company in the annual General Meeting may determine except that, subject to the applicable provisions of the Act, remuneration of the first or any auditor appointed by the Directors may be fixed by the Directors.
189. The Company shall also appoint a reputed accounting firm as the internal auditor to conduct internal audit of the functions and activities of the Company in accordance with the provisions of the Act.

#### **SECRECY**

190. Subject to the provisions of the Act, no Member shall be entitled to visit or inspect any work of the Company without the permission of the Directors, Managing Directors or Secretary or to require inspection of any books of accounts or documents of the Company or any discovery of any information or any detail of the Company's business or any other matter, which is or may be in the nature of a trade secret, mystery of secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director will be inexpedient in the collective interests of the Members of the Company to communicate to the public or any Member.
191. Every Director, manager, secretary, auditor, trustee, member of committee, officer, servant, agent, accountant or other person employed in the business of the Company will be upon entering his duties pledging himself to observe strict secrecy in respect of all matters of the Company including all transaction with customers, state of accounts with individual and other matters relating thereto and to not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

#### **WINDING UP**

192. Subject to the provisions of the Act, in the event of winding up of the Company whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, all or any of the assets of the Company whether they shall consist of property of the same kind or not.
193. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
194. The liquidator may, with the like sanction vest the whole or any part of such assets in trustees

upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.

#### **DOCUMENTS AND SERVICE OF DOCUMENTS**

- 195.** A document (which expression of this purpose shall be deemed to include and shall include any summon, notice, requisition, to or in the winding up of the Company) may be served or sent by the Company on or to any Member in the manner prescribed by Section 20 of the Act.
- 196.** Every person, who by operation of law, transfer or by other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such shares which, previously to his/her name and address being entered on the register shall have been duly served on or sent to the person from whom he/she derives his/her title to share.
- 197.** Any notice to be given by the Company shall be signed by such director or secretary or officer as the Board may appoint. The signature on any notice to be given by the Company may be written or printed or lithographed or be affixed by any other mechanical means.

## **SECTION X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be filed with the Registrar of Companies for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at A/8, Sunvilla Complex, Near Chines Hut Hotel, Dahej By Pass Road, Bharuch – 392001, Gujarat, India, between 10.00 a.m. and 5.00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **A) Material contracts for the Issue**

1. Issue Agreement dated October 20, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated October 20, 2022 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated [●] amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated [●] amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated March 16, 2021 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated March 26, 2021 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

#### **B) Material documents for the Issue**

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated October 14, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated October 18, 2022 in relation to the Issue and other related matters.
4. Consents of our Promoter, Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Underwriter to the Issue, Bankers to our Company, Market Maker and Banker to the Issue to include their names in this Draft Prospectus and to act in their respective capacities.
5. Peer Review Auditors Report dated November 05, 2022 on Restated Financial Statements of our Company for the period ended on September 30, 2022 and for the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020.

6. The Report dated November 05, 2022 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.
7. Copy of approval from NSE vide letter dated [ ● ] to use the name of NSE in this Draft Prospectus/ the Prospectus for listing of Equity Shares on Emerge Platform of NSE India.
8. Due diligence certificate shall be submitted to SEBI by Lead Manager to the Issue.
9. Copies of the annual report of our Company for the period ended on September 30, 2022 and for the financial year ended as on March 31, 2022, March 31, 2021 and March 31, 2020.
10. Board Resolution dated December 13, 2022 for the approval of this Draft Prospectus.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.



### DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 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 Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

NAME OF DIRECTOR AND DIN	DESIGNATION	SIGNATURE
Baldevbhai Patel <b>DIN:</b> 02479686	Chairman and Non-executive Director	Sd/-
Jayeshkumar Patel <b>DIN:</b> 05007490	Managing Director	Sd/-
Kalpesh Patel. <b>DIN:</b> 06779248	Whole - Time Director	Sd/-
Manish Patel <b>DIN:</b> 09568421	Independent Director	Sd/-
Hetalben Patel <b>DIN:</b> 09568460	Independent Director	Sd/-
Mayank Dalsania. <b>DIN:</b> 09586616	Independent Director	Sd/-

### SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Rajeshbhai Sodhaparmar <b>PAN:</b> CKGPS0152M	SD/-
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**Date:** December 13, 2022

**Place:** Gujarat