



SWASTIK PIPE LIMITED
 CIN: U74899DL1973PLC006881

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|--|--|---|--|---|-------------|--------------------------------------|-------------------------------------|
| Registered Office | Corporate Office | Contact Person | Email & Telephone | Website | | | |
| 2, Arihant Nagar, Punjabi Bagh (W), New Delhi 110026, India | N.A. | Ms. Banani Sikdar Company Secretary & Compliance Officer | cs@swastikpipes.com & +91-11-35453545 | www.swastikpipes.com | | | |
| NAMES OF PROMOTER(S) OF THE COMPANY | | | | | | | |
| MR. SANDEEP BANSAL, SMT. GEETA DEVI AGGARWAL, MRS. ANUPAMA BANSAL AND MR. SHASHWAT BANSAL | | | | | | | |
| DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS | | | | | | | |
| Type | Fresh Issue Size (by amount in ₹. Lakh) | OFS Size (by no. of shares or by amount in ₹. Lakh) | Total Issue Size (amount in ₹. Lakh) | Eligibility- 229(1)/ (2) & Share Reservation among QIBs, NIIs & RIIs | | | |
| Fresh Issue | [●] | Nil | [●] | The Issue is being made pursuant to Regulation 229 (2) of SEBI ICDR Regulations. As the Company's post issue face value capital is more than 10.00 Cr. and upto 25.00 Cr | | | |
| OFS: Offer for Sale | | | | | | | |
| Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders) | | | | | | | |
| Name | Type | No. of shares offered/ Amount in ₹. | WACA in ₹. Per Equity Shares | Name | Type | Shares Offered/ Amount (upto) | WACA in ₹. Per Equity Shares |
| Nil | | | | | | | |
| P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis | | | | | | | |
| RISKS 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 Offer Price, Floor Price, Price Band is determined by the company in consultation with BRLM and on the basis of assessment of market demand for the Equity Shares by way of Book Building, as stated in “Basis for Issue Price” on page 84 of this (Draft Red Herring 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 RISK | | | | | | | |
| 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 16 of this Draft Red Herring Prospectus. | | | | | | | |
| ISSUER'S ABSOLUTE RESPONSIBILITY | | | | | | | |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Draft Red Herring 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 make this Draft Red Herring 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 of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited. In terms of the Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange. | | | | | | | |
| LEAD MANAGER TO THE ISSUE | | | | REGISTRAR TO THE ISSUE | | | |
| Corporate Capital Ventures <small>SEBI Registered Category 1 Merchant Banker</small> CORPORATE CAPITAL VENTURES PRIVATE LIMITED SEBI Registration No.: INM000012276 (Validity: Permanent) B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044 Tel: +91 11 - 41824066; Fax: +91 11 - 41824066 Contact Person: Mr. Kulbhushan Parashar Email: smeipo@ccvindia.com ; Website: www.ccvindia.com | | | | SKYLINE FINANCIAL SERVICES PRIVATE LIMITED SEBI Registration No.: INR000003241 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 Tel No: +91- 11-40450193-97; Fax No: +91-11-26812683 Contact Person: Mr. Alok Gautam Email: compliances@skylinerta.com Website: www.skylinerta.com ; | | | |
| OFFER PROGRAMME | | | | | | | |
| ISSUE OPENS ON: [●] | | | | ISSUE CLOSES ON: [●] | | | |



SWASTIK PIPE LIMITED

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Swastik Pipes Private Limited" bearing Registration Number 06881 dated October 10, 1973 issued by the Registrar of Companies, Delhi. Subsequently, our Company was converted into public limited company pursuant to a shareholders' resolution passed at an Extra-Ordinary General Meeting held on August 16, 2002, and name of our Company was changed to "Swastik Pipes Limited" and a fresh Certificate of Incorporation dated March 21, 2003 was issued by Registrar of Companies, Delhi. After that, the name of the company was changed to "Swastik Pipe Limited" and a fresh Certificate of Incorporation dated April 03, 2013, was issued by Registrar of Companies, Delhi. As on date of this Draft Red Herring Prospectus the Corporate Identification Number of our Company is U74899DL1973PLC006881. For further details of incorporation please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page of this Draft Red Herring Prospectus.

Registered Office: 2, Arihant Nagar, Punjabi Bagh (W), New Delhi 110026, India
Tel: +91-11-35453545, **Fax:** N.A., **Website:** www.swastikpipes.com
E-mail: cs@swastikpipes.com

Company Secretary and Compliance Officer: Ms. Banani Sikdar

PROMOTERS: MR. SANDEEP BANSAL, SMT. GEETA DEVI AGGARWAL, MRS. ANUPAMA BANSAL AND MR. SHASHWAT BANSAL

THE ISSUE

INITIAL PUBLIC OFFER OF 62,51,200 EQUITY SHARES OF FACE VALUE OF ₹. 10/- EACH ("EQUITY SHARES") OF SWASTIK PIPE LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹. [●] PER EQUITY SHARE) AGGREGATING UP TO ₹. [●] ("ISSUE") OF WHICH 3,15,200 EQUITY SHARES OF FACE VALUE ₹. 10/- EACH FOR CASH AT A PRICE OF ₹. [●] PER EQUITY SHARE AGGREGATING ₹. [●] WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 59,36,000 EQUITY SHARES OF FACE VALUE OF ₹. 10/- EACH FOR CASH AT A PRICE OF ₹. [●] PER EQUITY SHARE, AGGREGATING ₹. [●] IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.91% AND 25.55%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹10.00 EACH. THE PRICE BAND WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER FINANCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER JANSATTA, EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 222 OF THIS DRAFT RED HERRING PROSPECTUS.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Issue Procedure" on page 231.

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, specific attention is invited to "Issue Procedure" on page 231 of this Draft Red Herring Prospectus. A copy of Draft Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹.10/. The Offer Price, Floor Price or Price Band as stated under the chapter titled "Basis for the Issue Price" beginning on page 84 of this Draft Red Herring 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 and/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 Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 16 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Draft Red Herring 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 make this Draft Red Herring 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 of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (NSE). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange Of India Limited (NSE) for using its name in the Red Herring Prospectus for listing of our shares on the SME Platform of National Stock Exchange Of India Limited (NSE). For the purpose of this Issue, National Stock Exchange of India Limited (NSE) shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE


 Corporate Capital Ventures
 SEBI Registered Company / Merchant Banker
CORPORATE CAPITAL VENTURES PRIVATE LIMITED
SEBI Registration No.: INM000012276 (Validity: Permanent)
 B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044
Tel: +91 11 - 41824066; **Fax:** +91 11 - 41824066
Contact Person: Mr. Kulbhushan Parashar
Email: smeipo@ccvindia.com; **Website:** www.ccvindia.com

REGISTRAR TO THE ISSUE


 Skyline
 Financial Services Pvt. Ltd.
SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
SEBI Registration No.: INR000003241
 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel No: +91- 11-40450193-97; **Fax No:** +91-11-26812683
Contact Person: Mr. Alok Gautam
Email: compliances@skylinerta.com **Website:** www.skylinerta.com;

OFFER PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSSES ON: [●]

THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Draft Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

General Terms

| Term | Description |
|--|--|
| Swastik Pipe - We or -us or -our Company or -the Issuer - or - the Company | Unless the context otherwise requires, refers to Swastik Pipe Limited, a company incorporated under the Companies Act, 1956, bearing Corporate Identification Number U74899DL1973PLC006881 and having registered office at 2, Arihant Nagar, Punjabi Bagh (W), West Delhi-110026, India. |

Company Related Terms

| Terms | Description |
|--|---|
| Articles / Articles of Association | Unless the context otherwise requires, refers to the Articles of Association of Swastik Pipe Limited, as amended from time to time. |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled -Our Management on page 137 of this Draft Red Herring Prospectus. |
| Auditors/ Statutory Auditors | The Statutory Auditors of our Company, being M/s O. Aggarwal & Co., Chartered Accountants. |
| Board of Directors / Board/ Director(s) | The Board of Directors of Swastik Pipe Limited, including all duly constituted Committees thereof. |
| Central Registration Centre (CRC) | It’s an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html |
| Companies Act | The Companies Act, 2013 including provisions of the Companies Act, 1956, to the extent not repealed. |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Ms. Banani Sikdar. |
| Chief Financial Officer | The Chief Financial Officer of our Company being Mr. Gulshan Rai. |
| Depositories Act | The Depositories Act, 1956, as amended from time to time. |
| Equity Shares | Equity Shares of our Company of Face Value of ₹ .10/- each unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons holding equity shares of our Company. |
| Group Companies | The group companies of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in-Group Entities on page 154 of this Draft Red Herring Prospectus. |

| Terms | Description |
|--|--|
| HUF | Hindu Undivided Family. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| Key Managerial Personnel /Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled –Our Management on page 137 of this Draft Red Herring Prospectus. |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of Swastik Pipe Limited. |
| Non Residents | A person resident outside India, as defined under FEMA. |
| NRIs / Non Resident Indians | A person outside India, as defined under FEMA 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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoters or Our Promoters | Mr. Sandeep Bansal, Smt. Geeta Devi Aggarwal, Mrs. Anupama Bansal and Mr. Shashwat Bansal. |
| Promoters Group | The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled – Our Promoters Group. For further details refer page 150 of this Draft Red Herring Prospectus. |
| Registered Office | The Registered of our company which is located at 2, Arihant Nagar, Punjabi Bagh (W), West Delhi 110026 India. |
| Restated Financial Statements | The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the period ended as at November 30, 2021 & year ended on March 31, 2021, 2020 & 2019 and the restated statements of profit and loss and the restated cash flows for the period ended on November 30, 2021 & year ended on March 31, 2021, 2020 & 2019 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| RoC | Registrar of Companies, Delhi & Haryana. |
| SEBI | Securities and Exchange Board of India, constituted under the SEBI Act, 1992. |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to time. |
| SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| SEBI (LODR) Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| SEBI (Takeover) Regulations or SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time. |
| Stock Exchange | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited. |

Offer Related Terms

| Terms | Description |
|----------------------------|---|
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form. |
| Allotment/ Allot/ Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |
| Allottee | The successful applicant to whom the Equity Shares are being / have been allotted. |

| Terms | Description |
|--|--|
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus. |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB. |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant. |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process. |
| Banker(s) to the Issue/ Public Issue Bank(s). | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [•]. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 231 of this Draft Red Herring Prospectus. |
| Bid | An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly. |
| Bid Lot | [•] Equity Shares and in multiples of [•] Equity Shares thereafter. |
| Bid/Offer Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] and editions of [•] (a widely circulated Hindi national daily newspaper), (Hindi being the regional language of Delhi, where our Registered Office is located). Our Company, in consultation with the LM, may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations. |
| Bid/Offer Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] and editions of [•] (a widely circulated Hindi national daily newspaper), (Hindi being the regional language of Delhi, where our Registered Office is located) |
| Bid/ Offer Period | Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. |

| Terms | Description |
|---|---|
| | Our Company, in consultation with the Lead Manager may consider closing the Bid/Offer Period for the QIB Portion One Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the LM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor |
| Book Building Process | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made. |
| Cap Price | The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted. |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited or NSE EMERGE. |
| Draft Red Herring Prospectus | Draft Red Herring prospectus filed with NSE EMERGE for obtaining in-principle approval. |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein. |
| Emerge Platform of NSE | The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange. |
| First/ Sole Applicant | The applicant whose name appears first in the Application Form or Revision Form. |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be Finalized and below which no Bids will be accepted. |
| Issue/ Issue Size/ Initial Public Issue/Initial Public Offer/Initial Public Offering/ IPO | Initial Public Issue of 62,51,200 Equity Shares of face value of ₹.10/- each fully paid up of our Company for cash at a price of ₹. [●] per Equity Share (including a premium of ₹. [●] per Equity Share) aggregating ₹. [●]. |
| Issue Agreement | The agreement dated [●] 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 Issue closes for subscription is [●] |
| Issue Opening Date | The date on which Issue opens for subscription is [●] |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application. |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹. [●] per Equity Share of face value of ₹.10/- each fully paid. |

| Terms | Description |
|--|---|
| Issue Proceeds | Proceeds from the Issue that will be available to our Company, being ₹. [●]. |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Corporate Capital Ventures Private Limited. |
| Listing Agreement | The equity listing agreement to be signed between our Company and the National Stock Exchange of India Limited. |
| Market Maker | Market Makers appointed by our Company from time to time, in this case being _____ having SEBI registration number [●] who have 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 any other period as may be notified by SEBI from time to time. |
| Market Making Agreement | The Agreement entered into between the Book Running Lead Manager, Market Maker and our Company dated [●]. |
| Market Maker Reservation | The Reserved Portion of 3,15,200 Equity Shares of face value of ₹.10/- each fully paid for cash at a price of ₹. [●] per Equity Share aggregating ₹. [●] for the Market Maker in this Issue. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue/ Offer | The Issue (excluding the Market Maker Reservation Portion) of 59,36,000 Equity Shares of ₹.10/- each of Issuer at ₹. [●] (including share premium of ₹. [●]) per equity share aggregating to ₹. [●]. |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled –Objects of the Issue beginning on page 79 of this Draft Red Herring Prospectus. |
| NIF | National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India. |
| Non-Institutional Applicants | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than ₹.2,00,000. |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue. |
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable. |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Prospectus | The Prospectus, which is filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Qualified Institutional Buyers / QIBs | As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹. 2,500 Lakh, pension fund with minimum corpus of ₹. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India. |
| Refund Account | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur. |
| Refund Bank | The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being [●]. |

| Terms | Description |
|--|--|
| Refunds through electronic transfer of funds | Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable |
| Registrar/ Registrar to the Offer | Registrar to the Offer being Skyline Financial Services Private Limited. For more information please refer –General Information on page 40 of this Draft Red Herring Prospectus. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| 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 ₹. 2,00,000. |
| SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer 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 retail investors into the UPI. In this case [●]. |
| Underwriter | Underwriter to this Issue is Corporate Capital Ventures Private Limited. |
| Underwriting Agreement | The agreement dated [●] entered into between Corporate Capital Ventures Private Limited and our Company. |
| Working Days | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Draft Red Herring Prospectus are open for business 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |

Conventional Terms / General Terms / Abbreviations

| Abbreviation | Full Form |
|--------------|---|
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| BRLM | Book Running Lead Manager |
| BIFR | Board for Industrial and Financial Reconstruction |
| CAGR | Compounded Annual Growth Rate |
| Carpet Area | The area of the apartment excluding the thickness of inner walls. |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| DIN | Director Identification Number |

| | |
|----------------------------|---|
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EPS | Earnings Per Share |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under |
| FIIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| F&NG | Father and Natural Guardian |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| GoI/Government | Government of India |
| HUF | Hindu Undivided Family |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ICSI | Institute of Company Secretaries Of India |
| MAPIN | Market Participants and Investors' Integrated Database |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NDOH | Next Date of Hearing |
| NGT | National Green Tribunal |
| NOC | No Objection Certificate |
| NPV | Net Present Value |
| NRE Account | Non Resident External Account |
| NRI | Non Resident Indians |
| NRO Account | Non Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB | Overseas Corporate Bodies |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Plots | Parcel of land demarcated through boundary |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Bn | Billion |
| Rs. | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| RERA | Real Estate Regulatory Authority |

| | |
|----------------------------|--|
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| Sec. | Section |
| STT | Securities Transaction Tax |
| Super Area | The built up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the United States of America |
| UPI | Unified payments interface which is an instant payment mechanism, developed by NPCI |
| UPI Circulars | The 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 and any subsequent circulars or notifications issued by SEBI in this regard |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payments system developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request | The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorise blocking of funds on the UPI mobile or other application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 |
| UPI PIN | Password to authenticate UPI transaction |
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |

Notwithstanding the foregoing:

- 1. In the section titled “Main Provisions of the Articles of Association” beginning on page number 257 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 12 and 102 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 3. In the section titled “Risk Factors” beginning on page number 16 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 4. In the chapter titled “Statement of Tax Benefits” beginning on page number 87 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 5. In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 191 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

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PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated ‘beginning on page 161 this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 161 of this Draft Red Herring Prospectus.

Currency and units of presentation

In this Draft Red Herring Prospectus, references to Rupees or INR or ₹. are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S. \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / Mn refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means onehundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Red Herring 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 the Draft Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Red Herring 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.

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FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring 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, and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Draft Red Herring 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.

These forward-looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- loss of consumers;
- impact of Covid 19 pandemic or any future pandemic;
- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Adverse natural calamities having significant impact on regions where we are having projects under implementation;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page numbers 16, 102 and 191 respectively of this Draft Red Herring Prospectus.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its 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. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II - SUMMARY OF OFFER DOCUMENTS

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a private limited company namely “Swastik Pipes Private Limited” under the Companies Act, 1956, vide certificate of incorporation dated October 10, 1973 issued by Registrar of Companies, NCT of Delhi & Haryana bearing registration no 006881. Further, Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 16, 2002 & name of our Company changed from “Swastik Pipes Private Limited” to “Swastik Pipes Limited” & Registrar of Companies, NCT of Delhi and Haryana has issued certificate of incorporation consequent upon conversion dated March 21, 2003 having CIN U74899DL1973PLC006881. Furthermore, the name of the company was changed from “Swastik Pipes Limited” to “Swastik Pipe Limited” and a fresh Certificate of Incorporation was issued dated April 3, 2013 by Registrar of Companies, NCT of Delhi & Haryana. Our Company was incorporated in 1973 into the business of steel pipes. Our promoters are having a diversified experience of more than 30 years in the field of manufacturing and trading of steel pipes.

For detailed information on the business of our Company please refer to “Our Business” beginning on page numbers 102 of this Draft Red Herring Prospectus.

SUMMARY OF OUR INDUSTRY

Steel is the world’s most important engineering and construction material. It is used in every aspect of our lives; in cars and construction products, refrigerators and washing machines, cargo ships and surgical scalpels. It can be recycled over and over again without loss of property.

Humankind’s future success in meeting challenges such as climate change, poverty, population growth, water distribution and energy limited by a lower carbon world depends on applications of steel.

The Indian steel industry has entered into a new development stage, post de-regulation, riding high on the resurgent economy and rising demand for steel.

Rapid rise in production has resulted in India becoming the 2nd largest producer of crude steel during last three years (2018-2020), from its 3rd largest status in 2017. The country was also the largest producer of Sponge Iron or DRI in the world and the 2nd largest finished steel consumer in the world after China in 2020 (provisional), based on rankings released by the World Steel Association.

In a de-regulated, liberalized economic/market scenario like India the Government’s role is that of a facilitator which lays down the policy guidelines and establishes the institutional mechanism/structure for creating conducive environment for improving efficiency and performance of the steel sector. In this role, the Government has released the National Steel Policy 2017, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Government has also announced a policy for providing preference to domestically manufactured Iron & Steel products in Government procurement.

For detailed information on the Industry please refer to “Our Industry” beginning on page numbers 90 of this Draft Red Herring Prospectus

PROMOTERS

The promoters of our Company are Mr. Sandeep Bansal, Mrs. Anupama Bansal, Mr. Shashwat Bansal and Smt. Geeta Devi Aggarwal. For detailed information please refer chapter titled Our Promoters and Our Promoter Group on page number 150 respectively of this Draft Red Herring Prospectus.

ISSUE SIZE

The Issue size comprises of issuance of up to 62,51,200 Equity Shares of face value of ₹.10/- each fully paid-up of the Company for cash at price of ₹. [●] per Equity Share (including premium of ₹. [●] per Equity Share) aggregating ₹. [●].

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

| S. N. | Particulars | Amount (In ₹. Lakh) |
|--------------|-----------------------------|---------------------|
| 1 | Working Capital Requirement | [●] |
| 2 | General Corporate Purposes* | [●] |
| 3 | Issue Expenses | [●] |
| Total | | [●] |

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

AGGREGATE PRE-ISSUE & POST-ISSUE SHAREHOLDING OF THE PROMOTER, PROMOTER GROUP & PUBLIC AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER

| S. N. | Name of share holder | Pre issue | | Post issue | |
|----------------------------|--------------------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity Shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1 | Geeta Devi Aggarwal | 3618420 | 21.31% | 3618420 | 15.58% |
| 2 | Geeta Devi Aggarwal & Sandeep Bansal | 3773592 | 22.22% | 3773592 | 16.24% |
| 3 | Sandeep Bansal | 3949908 | 23.26% | 3949908 | 17.00% |
| 4 | Anupama Bansal | 1758360 | 10.36% | 1758360 | 7.57% |
| 5 | Shashwat Bansal | 600000 | 3.53% | 600000 | 2.58% |
| Total – A | | 13700280 | 80.69% | 11416900 | 58.97% |
| Promoter Group | | | | | |
| 6 | GDA Finvest & Trade Private Limited | 807600 | 4.76% | 807600 | 3.48% |
| 7 | Media Ventures India Private Limited | 445800 | 2.63% | 445800 | 1.92% |
| 8 | S. K. Bansal & Sons | 33600 | 0.20% | 33600 | 0.14% |
| Total – B | | 1287000 | 7.58% | 1072500 | 5.54% |
| Public | | | | | |
| 9 | Naresh Kumar Bansal | 12240 | 0.07% | 12240 | 0.05% |
| 10 | Naresh Kumar Bansal HUF | 12000 | 0.07% | 12000 | 0.05% |
| 11 | Blue Stone Trade & Finance (P) Ltd. | 493080 | 2.90% | 493080 | 2.12% |
| 12 | Agarwal Assignments Pvt. Ltd. | 12000 | 0.07% | 12000 | 0.05% |
| 13 | Mindtree Info Solutions Pvt. Ltd. | 52860 | 0.31% | 52860 | 0.23% |
| 14 | Jhanjhari Holdings Pvt. Ltd | 702000 | 4.13% | 702000 | 3.02% |
| 15 | Pushpanjali Investrade Pvt. Ltd | 708000 | 4.17% | 708000 | 3.05% |
| 16 | IPO | 0 | 0.00% | 6251200 | 26.91% |
| Total-C | | 1992180 | 11.73% | 8243380 | 35.48% |
| Grand Total (A+B+C) | | 16979460 | 100.00% | 23230660 | 100.00% |

SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

| Particulars | For period ended on November 2021 | For the year ended March 31 | | |
|---|-----------------------------------|-----------------------------|-----------|-----------|
| | | 2021 | 2020 | 2019 |
| Share Capital | 1,297.46 | 920.10 | 920.10 | 920.10 |
| Net Worth | 11,331.72 | 8,129.51 | 7,980.87 | 9,370.13 |
| Revenue (total income) | 38,601.64 | 52,384.80 | 65,807.21 | 72,756.38 |
| Profit after Tax | 202.19 | 148.64 | (1389.25) | 467.97 |
| Earnings per share Basic and Diluted | 1.46 | 1.37 | (12.80) | 4.33 |
| Net Asset Value per Equity Share (in ₹.) | 8.73 | 6.27 | 6.15 | 7.22 |
| Total borrowings | | | | |
| - Long Term | 4,232.93 | 7,648.16 | 5,686.62 | 6,080.17 |
| - Short Term | 9,878.25 | 11,959.71 | 14,004.00 | 13,967.64 |

**Note*

1. November figures are not annualized
2. The NAV is calculated on the basis of face value of each Equity Shares of Rs. 100/-.
3. The number of Equity Shares are considered as on November 30, 2022. As on date of this Draft Red Herring Prospectus the number of Equity Shares are 16979460.

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:

| Name | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by regulatory authorities | Amount Involved (Rs.) |
|---------------------------------------|----------------|-------------------|----------------------|-----------------|-----------------------------------|-----------------------|
| Company | By | 60 | - | - | - | 5,73,43,842 |
| | Against | 02 | - | - | - | Unascertainable |
| Promoter | By | - | - | - | - | - |
| | Against | - | 01 | - | - | Unascertainable |
| Group Companies/Entities | By | - | - | - | - | - |
| | Against | - | - | - | - | - |
| Directors other than promoters | By | - | - | - | - | - |
| | Against | - | - | - | - | - |

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 200 of this Draft Red Herring Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 16 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Draft Red Herring Prospectus there is no contingent liability other than that mentioned in “Financial Statements”, as Restated ‘beginning on page 161 this Draft Red Herring Prospectus on the Company.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details of Related Party Transaction, please refer chapter titled Annexure VIII on page 187 of this Draft Red Herring Prospectus.

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 Red Herring Prospectus.

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN LAST ONE YEAR

| Name of shareholders | No. of Equity Shares bought | Average cost of Acquisition (in ₹.) |
|----------------------|-----------------------------|-------------------------------------|
| Geeta Devi Aggarwal* | 5887212 | 42.47 |

| | | |
|-----------------|---------|-------|
| Sandeep Bansal | 1287258 | 38.84 |
| Anupama Bansal | 293060 | 0.00 |
| Shashwat Bansal | 100000 | 0.00 |

**The shares for the joint account of Mrs. Geeta Devi Aggarwal and Sandeep Bansal are considered to be held by Mrs. Geeta Devi Aggarwal for calculation cost of acquisition.*

AVERAGE COST OF ACQUISITION

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹.) |
|----------------------|--------------------|-------------------------------------|
| Geeta Devi Aggarwal* | 7392012 | 36.77 |
| Sandeep Bansal | 3949908 | 25.57 |
| Anupama Bansal | 1758360 | 9.57 |
| Shashwat Bansal | 600000 | 8.33 |

**The shares for the joint account of Mrs. Geeta Devi Aggarwal and Sandeep Bansal are considered to be held by Mrs. Geeta Devi Aggarwal for calculation cost of acquisition.*

DETAILS OF PRE-ISSUE PLACEMENT

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

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our company has issued 3,77,360 equity shares in last one (1) year for consideration other than cash, pursuant to conversion of loan into equity shares dated July 31, 2021.

Further our Company has also issued 28,29,910 equity shares as bonus issue at Extra Ordinary General Meeting dated March 28, 2022.

For more details, refer –Capital Structure on page number 47 of this Draft Red Herring Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

The Company has sub-divided the face value of equity shares from ₹.100/- to ₹.10/- vide resolution passed at the Extra Ordinary General Meeting dated March 10, 2022.

The Company has not consolidated its equity shares in the last one (1) year.

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SECTION III- RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 102 and 191, respectively, of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 161 of this Draft Red Herring Prospectus.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

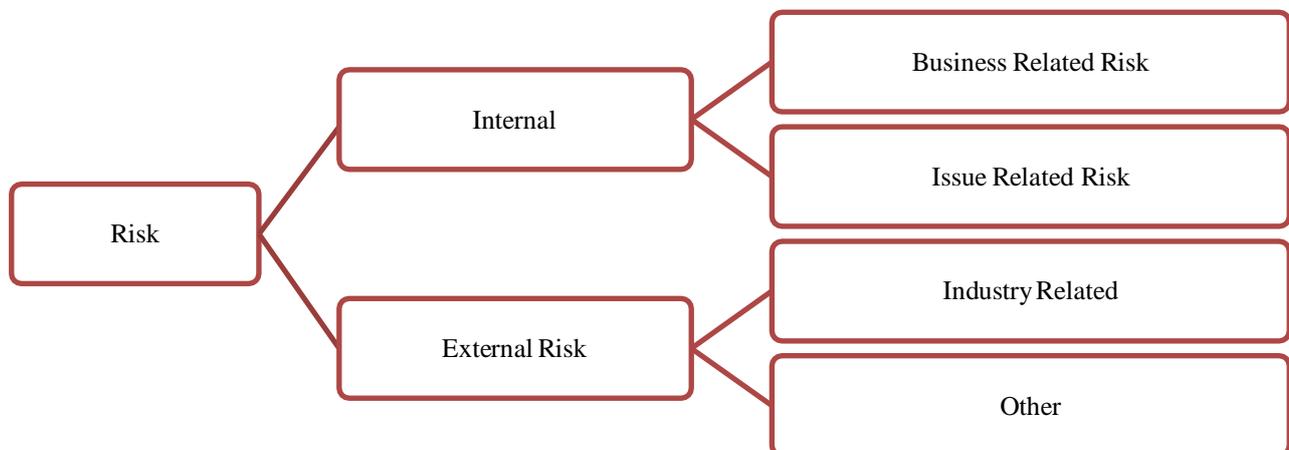
This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

Classification of Risk Factors



INTERNAL RISK FACTORS

- 1. Our Company and promoters are involved certain legal proceeding(s) and potential litigations. Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.***

Our Company is involved in certain legal proceedings and claims in relation to certain civil matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are as follows:

Litigations involving our company:

| Nature of Litigation | Number of cases outstanding | Amount in dispute (Rs.) |
|------------------------------------|-----------------------------|-------------------------|
| <i>By our company</i> | | |
| Civil Cases | 60 | 5,73,43,842 |
| <i>Against our company</i> | | |
| Civil Cases | 2 | Unascertainable |
| <i>Against our Promoter</i> | | |
| Criminal Case | 01 | Unascertainable |

For further details, see chapter “Outstanding Litigation and Material Developments” beginning on page 200 of Draft Red Herring Prospectus

- 2. We do not own the premises in which our registered office is located and the same is on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.***

Our Registered Office is presently located at 2, Arihant Nagar, Punjabi Bagh, Delhi-110026, India. The registered office is not owned by Company, it is owned by Mr. Raj Kumar Goyal and Tanuj Goyal jointly.

The premises have been taken on lease basis for a period of 5 years commencing from January 01, 2021 to December 31, 2025.

Upon termination of the lease, we are required to return registered office premises to the Lessor/Licensor, unless it is renewed. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate our registered office business where administrative activities are carried out. However, our Company owned some premises in delhi where we can alternatively shift our registered office or in case our owned premises are not vacated we may be required to identify alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions. Such a situation could result in time overruns and may adversely affect our operations temporarily.

- 3. Our Company has not complied with certain statutory provisions of the Stamp Act, 1899. Such non-compliances / lapses may attract penalties and prosecution against the Company and its directors which could impact the financial position of the Company to that extent.***

Our Company has paid certain stamp duties on issuance of shares and some applications are filed with the concerned authorities, but are not processed. Thus, certain stamp duties are yet to be paid.

Further our Company doesn't have any documentary proof for the payment of state stamp duty on equity shares issued on or before year 2008.

- 4. Decline of Revenue from Operations of the company in last three years.***

Our Company is facing a downtrend in revenue from operations in last three years. While comparing period ending March 31, 2021 with March 31, 2020, the company faced a fall of 20.34%, which was evidently due to the outbreak of Covid-19 pandemic. During the 2019-2020, the revenue from operations declined by 9.29%. Any future decline in the revenue may have a material adverse effect on the business. For details please refer to chapter titled “Financial Statements” beginning on page no 161 of this Draft Prospectus. The overview is given as follows.

(₹ In Lakh)

| For period ending | Revenue from Operations | For period ending | Revenue from Operations | Decline percentage (%) |
|-------------------|-------------------------|-------------------|-------------------------|------------------------|
| March 31, 2021 | 52,217.95 | March 31, 2020 | 65,551.95 | 20.34 |
| March 31, 2020 | 65,551.95 | March 31, 2019 | 72,263.00 | 9.29 |

5. Our company is facing low-capacity utilisation from production and manufacturing of products.

Since our company is into manufacturing and trading business, the capacity utilisation is an important factor to determine the strength and potential output that can be produced if capacity was fully used.

The capacity utilisation trend is given as below:

Capacity Utilisation [in MT (Metric Tonnes)]

| Capacity Utilisation for Products | For the period ended 31 st March, 2021 | For the period ended 31 st March, 2020 | For the period ended 31 st March, 2019 |
|-----------------------------------|---|---|---|
| Installed Capacity | 2,44,001 | 2,47,000 | 2,47,404 |
| Actual Production | 88,015 | 1,24,198 | 1,29,673 |
| % | 36.07% | 50.28% | 52.41% |

Our actual production is quite lower as compared to installed capacity of plant and machinery for production. It was 36.07% for period ending March 31, 2021, while it was 50.28% for period ending March 31, 2020 and 52.41% for period ending March 31, 2019. There has been a downfall in overall capacity utilisation of manufacturing products. If this trend continues, this could adversely affect our business operations.

6. Non availability of secretarial records of the company filed with ROC since incorporation.

Since the company was incorporated in 1973, it is not possible to trace all secretarial records since incorporation. We are unable to trace copies of certain records. However, we have conducted a search report through practicing Company Secretary Neha Mishra having certificate of practice number 9211, dated April 17, 2022 for ascertainment of the information and reconciliation of secretarial data and records of the company.

We cannot assure you that the filings were made in a timely manner and that we shall not be subject to any penalty imposed by the regulatory authorities in this respect.

7. High dependence on debt and outflow of finance cost leads to huge outflow of cash flows and reduce overall profitability.

Due to manufacturing activities, our business is highly working capital intensive. We have to depend on borrowings (both secured and unsecured) to a great extent to finance our manufacturing activities. As on November 30, 2021, the secured borrowings stand at 11,653.75 lakhs and unsecured borrowings stand at 2457.43 lakhs. The indebtedness require us to dedicate a substantial portion of our cash flow from operations to payments of interests, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate expenditures. It limits our borrowing ability and places us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

There can be no assurance that we will be able to generate enough cash flow from operations or that we will be able to

obtain enough capital to service our debt or fund our planned capital expenditures. In addition, we may need to refinance some or all of our indebtedness. For further details, please see “Statement of Financial Indebtedness” beginning on page 198 this Draft Red Herring Prospectus.

8. *There are several restrictive covenants in the loan agreements, which could influence our ability to expand, in turn affecting our business and results of operations.*

We have availed credit facilities from various banks exclusively and in consortium. We have entered into agreements for term loans and financial facilities with our banker / lenders and the covenants in borrowings from bank / lenders, among other things require us to obtain permissions in writing in respect of, including, but not limited to effecting any change in the management/Board of the Company, transfer of controlling interest, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets/machinery, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise; except which are approved by Bank/lenders, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. Our Company has applied for the NOC from lead banker which is State Bank of India (SBI), however the approval from the bank is still under process. For further details on restrictive covenants, please refer to chapter “Statement of Financial Indebtedness” beginning on page 198 of this Draft Red Herring Prospectus.

9. *The equity shares of our promoter is under pledge by consortium bank.*

Our Company has taken loan from various banks & the lead banker is State Bank of India (SBI), further as per sanction letter no. CBND/AMT-III/2020-21 issued by SBI dated January 20, 2021, 40% of equity shares of promoters of our Company shall always be under pledge with consortium bank. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, these shares may be forfeited by lenders. This covenant may have an adverse effect on the functioning and reputation of our Company. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our shares may be transferred to bank by virtue of loan agreement.

10. *Charge over company’s properties to finance the secured borrowings.*

Our company has created charge on various movable and immovable properties of the company to finance the loan. As on November 30, 2021 the secured borrowings stand at ₹ 11,653.75 lakhs. We have also secured our lenders who have provided the fund based working capital facilities by creating a charge over our current assets, certain movable and immovable properties in respect of loans / facilities availed by us.

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. For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter “Statement of Financial Indebtedness” beginning on page 198 of this Draft Red Herring Prospectus.

11. *Our Company has not filed e-form CHG-4 for satisfaction of Charge.*

Our Company has availed various loan facilities for operating the business. These loans have been paid off and stand at Nil in the books of the company. However, the company has not filed e-form CHG-4 for satisfaction of charge with ROC, due to non availability of NOC for following loans:

| S No. | Bank/ Lender | Charge Id | Amount appearing on MCA |
|-------|--------------------------------|-----------|-------------------------|
| 1 | HDFC Bank Limited | 100326586 | 39,05,000 |
| 2 | HDFC Bank Limited | 100278595 | 28,50,000 |
| 3 | HDFC Bank Limited | 100251930 | 25,60,000 |
| 4 | HDFC Bank Limited | 100041714 | 80,50,088 |
| 5 | HDFC Bank Limited | 100039732 | 35,81,000 |
| 6 | HDFC Bank Limited | 100026137 | 73,60,000 |
| 7 | The Sendrrs State Bank Limited | 90042642 | 25,90,0000 |

Any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent.

12. Non-Compliance in maintaining Board composition as per Companies Act 2013.

Our Company was not compliant to maintain the requisite number of Independent Directors on the Board as per the provisions of Companies Act 2013 for a certain period. Mr. Naresh Kumar Bansal, who was appointed as Independent Director, resigned from his office on 31/07/2021. The intermittent vacancy was not filled within the next Board meeting due to non-availability of requisite person. However, the vacancy was filled with appointment of Mr. Vishal Dugar and Ms. Sony Kumari as Independent director on March 10, 2022, Such non-compliance was reported in the Annual return for financial year ending March 31, 2021. Hence such non-compliance may incur the penalties or liabilities which may affect the results of operations and financial conditions.

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

Our Company had negative cash flows from investing activities & financing activities in the previous years and current year and from operating activities in financial year ending March 31, 2019 as per the Restated Financial Statements and the same are summarized as under.

(₹ In Lakh)

| Particulars | Period ended on | For the year ended on March 31 | | |
|--|-----------------|--------------------------------|-----------|------------|
| | November 30 | 2021 | 2020 | 2019 |
| Net Cash Generated from Operating Activities | 4,002.17 | 2,508.04 | 3,555.98 | (2,267.47) |
| Net Cash Generated from Investing Activities | (216.48) | (160.73) | (367.74) | (232.09) |
| Net Cash Generated from Financing Activities | (3790.03) | (2368.68) | (3237.08) | 833.09 |

14. Our top five states in north India contribute more than 70% of our revenues for period ended on 30th November 2021 & year ended on March 31st, 2021. Any loss of business from one or more of these states may adversely affect our revenues and profitability.

Our company has a strong presence in northern India. The northern Indian states contribute to a substantial portion of our revenues for the period ended on November 30, 2021 & year ended March 31, 2021. Any factors relating to political and geographical changes, growing competition and any change in the demand for our service by customers of these states may adversely affect our ability to retain them. We believe we have maintained good quality standard for our products, however, there can be no assurance that customers of these states will continue to buy our products. We cannot assure that we shall generate the same quantum of business, or any business at all, from these states, and loss of business from one or more of them may adversely affect our revenues and profitability.

The contribution of top five states to our total revenue is as follows:

(figures are in %age)

| Sr. No. | Particulars | November 2021 | March 2021 |
|--------------|------------------|---------------|--------------|
| 01. | Haryana | 23.92 | 23.92 |
| 02. | Himachal Pradesh | 16.20 | 13.29 |
| 03. | Uttar Pradesh | 14.74 | 10.90 |
| 04. | Punjab | 10.83 | 13.03 |
| 05. | Uttarakhand | 8.08 | 10.01 |
| Total | | 73.76 | 71.15 |

For further details regarding geographical wise revenue bifurcation, please refer to page no. 113 of this Draft Red Herring Prospectus.

15. Decline in revenue from one of the top five revenue states for period ended on 30th November 2021, year ended on March 31st, 2021 and year ended on March 31st, 2020. Our company has a strong presence in north India. It

constitutes more than 70% of its revenue from northern states of India period ended on 30th November 2021 and also, has a strong possibility of increase in demand. However, we have seen decline in revenue in Punjab for period ended on 30th November 2021, year ended on March 31st, 2021 and year ended on March 31st, 2020.

The contribution of Punjab is as follows:

(figures are in %age)

| <i>Sr. No.</i> | <i>Particulars</i> | <i>November 2021</i> | <i>March 2021</i> | <i>March 2020</i> |
|----------------|--------------------|----------------------|-------------------|-------------------|
| 01. | Punjab | 10.83 | 13.03 | 18.65 |

It is observed that the demand from one of the top contributors has decreased by 5.62% from year ended on March 31st, 2020 to year ended on March 31st, 2021, and 2.21% from year ended on March 31st, 2021 to 30th November 2021. If such a decline continued in future years, it may cause loss of business and may adversely affect our revenues and profitability.

16. *We import raw materials from certain countries. Excess dependence on import of raw material could be harmful for our company due to any trade barrier or government restriction on imports imposed in future.*

Since we import our products from various countries (such as South Korea, China, Japan etc.), we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, trade restrictions, the environmental laws (including steel and metal waste), tariffs, taxation, sanctions, government affairs, anti-corruption etc. Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. However, we have been following laws of land and meet mandatory levels of product standards and safety

17. *The steel industry is highly cyclical and a decrease in steel prices may have an adverse effect on the Company's results of operations and financial condition.*

We, being a steel pipe manufacturing company, face a lot of fluctuations in market. Steel is the basic raw material in our manufacturing, and due to its volatile price and highly cyclical nature, we face a lot of competition in the market. The price fluctuation is based on macro-factors such as employment rates, consumer confidence, inflation etc.

18. *Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations*

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/licenses/ approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 209 of this Draft Red Herring Prospectus.

19. *Our Company depends on brand recognition and reputation and our ability to maintain or enhance brand image that we operate could have a material adverse effect on our business, financial condition and results of operations.*

Our Company has developed its own brand "T.T Swastik". We believe that the recognition and reputation of brand among consumers has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of brand is, therefore, critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing brand. These factors include our ability to: maintain the popularity, attractiveness and quality of the products and services we offer; maintain or improve consumers'

satisfaction with our products and services; and increased brand awareness through investment in brand building initiatives, including through social media and marketing activities. Our consumers that use and recommend our products and services have come to expect a high level of efficacy and quality from our products and services, and our failure to deliver on that expectation could adversely impact our brand and reputation. As we expand into new geographic markets within India and as the market becomes increasingly competitive, maintaining and enhancing our brand image may become increasingly difficult and expensive. In addition, novelty of brand in these new geographic markets may diminish over time. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products and services, which could have a material adverse effect on our business, financial condition and results of operations.

20. Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.

Our business is working capital intensive and hence, trade receivables form a substantial part of our current assets and net worth. Our trade receivables as on November 30, 2021 were 14997.49 lakhs and inventories were 6248.60 lakhs. Thus, major portion of our working capital is utilized towards debtors and inventory. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and dealers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations.

There exist substantial requirement of working capital and financing in the form of fund and non-fund based working capital facilities to meet our requirements. The details of our working capital in last 3 years are as under which is showing continuous increase:

(Amount in ₹ Lakh)

| Particulars | 2018-19 | 2019-20 | 2020-21 | 2021-22 (up-to Nov) |
|--------------------------------------|-----------------|-----------------|-----------------|------------------------|
| Current Assets | | | | |
| Current Investments | 0.00 | 0.00 | 0.00 | 0.00 |
| Inventories | 10080.97 | 9228.68 | 6938.25 | 6248.60 |
| Trade Receivables | 12881.36 | 12338.07 | 14835.54 | 14997.49 |
| Cash and Cash Equivalents | 793.62 | 866.71 | 687.08 | 734.87 |
| Short-term Loans and Advances | 2035.39 | 1523.78 | 1739.79 | 2005.09 |
| Other Current Assets | 1754.97 | 1583.58 | 1503.52 | 1309.01 |
| Total (A) | 27546.31 | 25540.82 | 25704.18 | 25295.06 |
| Current Liabilities | | | | |
| Short Term Borrowings | 13512.19 | 13628.89 | 11827.13 | 9329.15 |
| Trade Payables | 4442.26 | 4727.89 | 4864.96 | 6443.73 |
| Other Current Liabilities | 971.00 | 1082.60 | 628.59 | 1199.06 |
| Short-term Provisions | 12.50 | 11.07 | 7.17 | 15.25 |
| Total (B) | 18937.95 | 19450.45 | 17327.85 | 16987.19 |
| Net Working Capital (A) - (B) | 8608.36 | 6090.37 | 8376.33 | 8307.87 |

A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability. The significant amount of working capital and major portion of our working capital is utilized towards inventories and trade receivables. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

We would require additional working capital facilities in the future to satisfy our working capital need which is proposed to be met through the IPO proceeds. In case of our inability to obtain the requisite additional working capital finance, our internal accruals/ cash flows would be adversely affected to that extent, and consequently affect our operations,

revenue and profitability

21. *We participate and operate in competitive markets with low barriers to entry which may increase competition and have a material adverse effect on our business, financial condition and results of operations.*

We operate in highly competitive market segments that are highly fragmented among several market participants. In the steel market, we compete with numerous multinational and Indian companies with sizeable market shares as well as the broader industry comprising numerous small competitors. We also believe that free information available on internet websites about steel pipes and sheets may also poses a competitive risk.

Moreover barriers to entry for the market segments in which we operate are generally low as the investment cost is very high. We anticipate these low barriers to entry, combined with forecast growth potential in the steel industry, will lead to increased competition both from established players as well as from new entrants in the industry. This could include attrition of our staff to our competitors or our staff establishing competitive enterprises.

22. *In addition to normal remuneration, other benefits and reimbursement of expenses, some of our Directors (including our Promoter) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, any amount of loan given to the company.*

Some of our Director/Promoters are interested in our Company to the extent of their shareholding, dividend rights, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or promoters would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors or Promoters will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting.

For details relating to benefits and reimbursement of expenses to some of our directors, please refer to section title “Our Management”, “Our Promoters and Promoters’ Group” and Annexure VIII – “Related Party Transaction in chapter titled “Restated Financial Statement” on page nos. 137, 150, & 161 respectively of this Draft Red Herring prospectus.

23. *Our Company has entered into certain related party transactions and may continue to do so in the future.*

Our Company has entered into related party transactions with our Promoter, Directors and the Promoter Group aggregating ₹. 3342.54 Lakhs for the last period ended November 30, 2021. While our Company believes that all such transactions have been conducted on the arm’s length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties.

Furthermore, it is likely that our Company 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, please refer to “Annexure VIII “Related Party Transactions” on page no. 187 of this Draft Red Herring Prospectus

24. *Our Company may incur penalties or liabilities for non-compliances with certain provisions of the Companies Act and other applicable laws in the last three (3) Years.*

Our Company may incur penalties or liabilities for non-compliance made inadvertently with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under Company Act applicable to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions.

25. *Our Promoters and members of the Promoter Group will continue jointly to retain majority controlover our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.*

Post this Issue, our Promoters and Promoter Group will collectively own 64.52% of our post issue equity share capital.

As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

26. *Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.*

At present, our company has taken insurance policies as given in chapter “Our Business” beginning on page no. 102, for our assets including stock, properties and transport insurance for protecting us against any material hazards. Any risk of damage may be controlled, but not eliminated. We cannot assure you that there will not be any incidents which may result in liability claims or negative publicity. Although we have liability insurance cover for stocks and properties for certain of our businesses, we cannot assure you that this insurance coverage is adequate or that any losses will be adequately compensated by our insurers in the event of a product liability claim. As a result it may adversely affect our results of operations and financial Conditions.

27. *Our Company's manufacturing activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected*

We are in the business of manufacturing and trading. The manufacturing process requires daily wage labour. Thus, being labour intensive, we are dependent on labour force for carrying out manufacturing activities. Our Company has employed 362 employees as on January 31, 2021, which consists of employees all of whom are on payroll. The above includes employees in the Top and middle management and also employees who are part of processing unit and office staff. It doesn't included contracted skilled and unskilled labour at our factories. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with labour 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; however, 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.

28. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations*

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

29. *Our Group Companies have incurred losses in the past and may incur losses in the future.*

Some of our group company, has incurred loss in the past. There can be no assurance that our Group Companies will not incur losses in the future, which may have an adverse effect on our reputation and business.

(Amount in Lakhs)

| <i>Sr. No.</i> | <i>Name of Company</i> | <i>2021</i> | <i>2020</i> | <i>2019</i> |
|----------------|------------------------------|-------------|-------------|-------------|
| 01. | GDA Finvest & Trade Pvt. Ltd | (2.40) | (3.09) | (1.87) |

30. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the issue price.*

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 15 of this Draft Red Herring Prospectus.

31. *Any non-compliance, default or regulatory action on any person belonging to Promoter Group could adversely affect our business reputation and operations.*

In case of imposition of any penalty for any default or non-compliance by any regulatory authority, on the persons belonging to our Promoter Group on chapter, "Promoter Group" beginning on page no. 150, could adversely affect our business operations and reputation. It is not necessary that the company and promoters are directly related to the such defaults, yet this could have adverse affect on the business of the company.

32. *We do not have any software to check real-time status to our inventory & to manage our inventory, Failure to manage our inventory could have an adverse effect on our sales, profitability, cash flow and liquidity.*

The results of operations of our business are dependent on our ability to effectively manage our inventories and stocks. For the period ended November 30, 2021 and Fiscal Years ended 2020-21 & 2019-20, our inventories were ₹ 6248.60 Lakhs ₹ 6938.25 Lakhs & ₹ 9228.68 Lakhs respectively, which constituted 16.19%, 13.24%, & 14.02% respectively of our total revenues as per our re-stated financial statement. In case we have to effectively manage our inventory, we must be able to accurately estimate customer demand and our supply requirements and import inventory accordingly. If we misjudge 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 import, we may be required to write-down our inventory or create additional vendor financing, which could have an adverse impact on our income and cash flows. However, we closely monitor our inventories and any product which becomes slow moving, we try to sell at discounted prices to our vendors so as to liquidate inventory

33. *If we fail to maintain an effective distribution network for the supply of our stock / material or any disruption of civil infrastructure, transport or logistic services, including due to disruption in roadway transport facilities or the national railway, it may create delays in deliveries of products to our distribution centers and points of sale.*

We rely on our network of distributors to safely and efficiently distribute or supply of our products to our vendor's, distribution centers and various points of sale. Our ability to maintain and grow our products business will depend on our ability to maintain, expand and manage a distribution network that in a timely manner delivers our products in all of the cities in which we generate market demand or intend to increase our presence through our sales and marketing activities. However, a significant disruption to our distribution network or civil infrastructure, transport or logistic services resulting from numerous factors, including fire, flood or other natural disasters, signal jamming, power outages, acts of terrorism and vandalism and equipment or system failures may occur. Our insurance may not be adequate to cover some or all losses from these events. If any of these events were to occur, it could cause limited or severe delivery disruption which could result in delays of deliveries and reduced sales. In addition, our distributors are third parties over whom we have relatively limited control, and our distributors may fail to distribute our products in the manner we contemplate, impairing the effectiveness of our distribution network.

34. *Any disruption in our information technology systems may adversely affect our business, results of operations and prospects.*

In today's digital world like any other organisation we also depend extensively on the capacity and reliability of our information technology systems, which are subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, computer viruses, hacking, acts of terrorism and similar events or the loss of support services from third parties. Considering the nature of our business and the industry in which we operate, it is imperative for us to have a robust information technology platform. If our data capturing, processing and sharing cannot be integrated and/or we experience any defect or disruption in the use of, or damage to, our information technology systems, it may adversely affect our operations and thereby our business and financial condition.

35. *Delay in raising funds from the IPO could adversely impact the implementation schedule.*

The proposed use of issue proceeds, as detailed in the section titled "Objects of the Issue" on page no. 79 is to be partially and/or wholly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

36. *We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.*

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer "Dividend Policy" on page 158 of this Draft Red Herring Prospectus.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company has entered presently and may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details regarding our dividend policy, please see "Dividend Policy" on page no 158 of this Draft Red Herring Prospectus.

37. *In case of any inability arise to source business opportunities effectively, we may not achieve our financial objectives.*

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our sales channel and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees or marketing agents will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market conditions and other data or the strategies that we may use in future to use will be successful under various market conditions.

38. *Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us.*

Through this issue our Company proposes to get listed on the SME Platform of NSE and further increase its asset base in order to take the Company to the next level of operational and financial strength. Our Company will be severely dependent on its promoters to effectively implement its growth strategies. Our Promoter have been actively involved in

the day to day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoter. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Financial impact of the aforesaid risk cannot be reasonably quantified.

39. *Our success depends largely on our senior management and our ability to attract and retain our key personnel.*

Our success depends on the continued services and performance of our senior management and sales agents. Competition for senior employees and sales agents in the industry is intense and we may not be able to retain our existing team members or attract and retain new team members in the future. The loss of any member of our key team may adversely affect our business, results of operations and financial condition. We do not maintain key man's life insurance for our Promoters, senior members of our management team or other key personnel.

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

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 79 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "Objects of the Issue" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹. 10,000 Lakh. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

42. *Our future funds requirements, in the form of fresh 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 fresh 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.

43. *The requirements of being a public listed company may strain our resources and impose additional requirements.*

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations.

There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

44. Third party industry and statistical data in this Draft Red Herring Prospectus may be incomplete, incorrect or unreliable.

We have not independently verified data from industry and other publications contained herein and although we believe these sources to be reliable, we cannot assure you 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 caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

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Issue related risk

45. *We have issued Equity Shares in the last twelve months at price lower than the Offer Price.*

Our Company has issued 2829910 Equity shares on March 31, 2022 by way of Bonus Issue, as applicable, *explained in detail in Chapter title “Capital Structure” on page 47 of this Draft Red Herring Prospectus.* These Equity Shares has been issued at a price which are lower than the offer price of this Issue.

46. *We cannot assure you that our equity shares will be listed on the NSE Emerge in a timely manner or at all, which may restrict your ability to dispose of the equity shares.*

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Red Herring Prospectus listed on NSE EMERGE platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the SME platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

47. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

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

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

49. *We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.*

We are exposed to counter party credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of Operations and cash flows. For further details of our business and clients, please refer chapter titled “Our Business” and “Management Discussion & Analysis Conditions and Result of Operation” beginning on page 102 & 191 of this Draft Red Herring Prospectus.

50. *We operate in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.*

India is our primary market and we face high competition in our business from local as well as nationwide players in our industry. Our key services are available from a large number of players providing same or similar services in our industry. Thus, factors affecting our competitive success include, amongst other things, price, demand for our product and/or

services, brand recognition and reliability. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement and administrative costs and improve our operating efficiencies. If we fail to do so, our competitors may be able to provide their services at prices lower than our prices, which would have an adverse effect on our market share and results of operations. Our competitors vary in size, and may have better financial, marketing personnel and other resources than us and certain of our competitors have a longer history of established business and reputation in the Indian market as compared with us. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our services, which may result in a decline in our revenues and profitability.

51. Prices of raw material is highly volatile and if we are unable to maintain appropriate time span between procurement and selling of our product it may cause huge losses.

In our business, manufacture and sell products in Indian market. It creates a time gap between the manufacturing and selling of our products and the cost of raw material are highly variable, which cannot be hedged. Any fluctuation in these components as aforesaid may affect our cost and supply of the services. Therefore, any significant increase in these prices due to any reasons, and our inability to pass on increased costs to our customers or reduction in demand from our customers, may adversely affect our revenue and profitability. For further details, see “Our Business” on page no. 102 of this Draft Red Herring Prospectus.

52. Our growth will depend on our ability to build our brand and failure to do so will negatively impact our ability to effectively compete in this industry.

We believe that we need to continue to build our brand, “T.T Swastik”, which will be critical for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. The brand promotion activities that we may undertake may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

53. Our operations could be adversely affected by disputes with employees.

We believe we maintain good relationships with our workforce, there can be no assurance that the Company will not experience future disruptions to its operations due to disputes or other problems with its work force.

54. Interest rate fluctuations may adversely affect the Company's business.

The Company may enter into certain borrowing arrangements to finance its capital requirements in the ordinary course of business in connection with potential acquisitions or for general working capital purposes. In the event interest rates increase, the Company's costs of borrowing will increase, and its profitability and results of operations may be adversely affected.

55. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our capacity to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business there is significant importance to find, hire, train, supervise and manage efficient employees and also to establish such process of business operations which is proficient enough to effectively achieve our growth. Instead of putting keen efforts, as mentioned here, we cannot assure that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use.

56. *Our inability to manage growth could disrupt our business and reduce profitability.*

A principal component of our strategy is to continuously grow by expanding the capacity, size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

57. *Industry information included in this Draft Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical financial and other industry information is either complete or accurate.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics.

Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

58. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.*

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

59. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.*

The Issue Price of our Equity Shares has been determined by book building method. This price is based on numerous

factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 84 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

60. Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 79 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

The deployment of funds as stated in the Objects of the Issue beginning on page 79 of this Draft Red Herring Prospectus is entirely at our discretion and is not subject to monitoring by any independent agency. All the figures included under the Objects of the Issue are based on our own estimates. There has been no independent appraisal of the project. We have not entered into any definitive agreements to utilize a portion of the Issue.

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EXTERNAL RISK FACTORS

61. *Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.*

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

62. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.*

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include Service tax, STT, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

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

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

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax (-STT) is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Any gain realized 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, will be subject to long term capital gains tax in India. Further, any gain realized 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. Any change in tax provisions may significantly impact your return on investments.

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

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

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

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

SECTION IV- INTRODUCTION

THE ISSUE

| Particulars | Details of Number of Shares |
|--|---|
| Issue of Equity Shares by our Company | Up-to 62,51,200* Equity Shares of face value of ₹.10/- each fully paid-up aggregating to ₹ [●]. |
| Of which: | |
| Reserved for Employees | Up-to [●] Equity Shares of face value of ₹10/- each fully paid-up aggregating to ₹ [●]. |
| Reserved for Market Makers | Up-to 3,15,200 Equity Shares of face value of ₹10/- each fully paid-up aggregating to ₹ [●]. |
| Net Issue to the Public | Up-to 59,36,000 Equity Shares of face value of ₹10/- each fully paid-up aggregating to ₹ [●]. |
| Of which: | |
| QIB Portion | 25,12,000 Equity shares shall be available for allocation to QIB |
| Of which: | |
| Anchor Investor Portion | [●] Equity Shares of Face Value of ₹10/- each |
| Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed) | [●] Equity Shares of Face Value of ₹10/- each |
| Available for allocation to Mutual Funds only (5% of the QIB portion excluding Anchor Investor Portion) | [●] Equity Shares of Face Value of ₹10/- each |
| Balance of all QIBs including Mutual Funds | [●] Equity Shares |
| Retail Investors Portion | 22,08,000 Equity Shares of face value of ₹ 10/- each fully paid of the Company aggregating ₹ [●] lakhs will be available for allocation to Investors applying with application value of up to ₹2.00 lakhs |
| Non-Institutional Portion | 12,16,000 Equity Shares of face value of ₹10/- each fully paid of the Company aggregating ₹[●] lakhs will be available for allocation to Investors applying with application value of above ₹2.00 lakhs. |
| Pre-and Post-Issue Equity Shares: | |
| Equity Shares outstanding prior to the Issue | 1,69,79,460 Equity Shares of ₹10/- each |
| Equity Shares outstanding after the Issue | 2,32,30,660 Equity Shares of ₹10/- each |
| Use of Proceeds | For further details please refer chapter titled “Objects of the Issue” beginning on page no. 79 of this Draft Red Herring Prospectus for information on use of Issue Proceeds |

*Number of shares may need to be adjusted for lot size upon determination of issue price.

Notes:-

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on March 12, 2022 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on March 28, 2022.
- 3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, wherein not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs. Further not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. For further details, see “Issue Procedure” beginning on page 231 of this Draft Red Herring Prospectus.

4) In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the National Stock Exchange of India Limited. For further details please refer to section titled "Issue structure" beginning on page 253 of this Draft Red Herring Prospectus.

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SUMMARY OF OUR FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt in Lakh)

| Particulars | Note No. | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|----------|-------------------------|----------------------|----------------------|----------------------|
| I. EQUITY AND LIABILITIES | | | | | |
| (1) Shareholders' Funds | | | | | |
| (a) Share Capital | I.1 | 1,297.46 | 920.10 | 920.10 | 920.10 |
| (b) Reserves and Surplus | I.2 | 10,034.26 | 7,209.42 | 7,060.78 | 8,450.03 |
| (2) Non-Current Liabilities | | | | | |
| (a) Long-Term Borrowings | I.3 | 4,232.93 | 7,648.16 | 5,686.62 | 6,080.17 |
| (b) Other Long-term Liabilities | I.4 | 50.27 | 105.14 | 121.83 | 126.65 |
| (c) Deferred tax liabilities (Net) | I.5 | 423.19 | 320.22 | 240.75 | 931.72 |
| (d) Long-term Provisions | I.6 | 100.07 | 95.02 | 170.24 | 166.75 |
| (3) Current Liabilities | | | | | |
| (a) Short Term Borrowings | I.7 | 9,878.25 | 11,959.71 | 14,004.00 | 13,967.64 |
| (b) Trade Payables | I.8 | | | | |
| (i) Total Outstanding dues of Micro and Small Enterprises and | | - | - | - | - |
| (ii) Total Outstanding dues other than Micro and Small Enterprises | | 6,443.73 | 4,864.96 | 4,727.89 | 4,442.26 |
| (c) Other Current Liabilities | I.9 | 649.96 | 495.99 | 707.48 | 509.83 |
| (d) Short-Term Provisions | I.10 | 15.25 | 7.17 | 11.07 | 12.50 |
| Total | | 33,125.38 | 33,625.89 | 33,650.76 | 35,607.65 |
| II. ASSETS | | | | | |
| (1) Non-current assets | | | | | |
| (a) Property, Plant and Equipment and Intangible assets | | | | | |
| (i) Property, Plant and Equipment | I.11 | 6,953.14 | 7,094.93 | 7,319.04 | 7,320.38 |
| (ii) Intangible assets | I.12 | 8.27 | 12.49 | 18.82 | - |
| (iii) capital Work in Progress | | 104.62 | - | - | 18.00 |
| (b) Non-Current Investments | I.13 | 10.08 | 10.08 | 10.08 | 10.08 |
| (d) Other Non-Current Assets | I.14 | 754.21 | 804.21 | 762.01 | 718.60 |
| (2) Current assets | | | | | |
| (a) Inventories | I.15 | 6,248.60 | 6,938.25 | 9,228.68 | 10,080.97 |
| (b) Trade Receivables | I.16 | 14,997.49 | 14,835.54 | 12,338.07 | 12,881.36 |
| (c) Cash and Cash Equivalents | I.17 | 734.87 | 687.08 | 866.71 | 793.62 |
| (d) Short-Term Loans and Advances | I.18 | 2,005.09 | 1,739.79 | 1,523.78 | 2,035.39 |
| (e) Other Current Assets | I.19 | 1,309.01 | 1,503.50 | 1,583.57 | 1,749.25 |
| Total | | 33,125.38 | 33,625.88 | 33,650.76 | 35,607.65 |

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RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Lakh)

| Particulars | Note No. | For the 8 month period ended 30 November, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|--|----------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| I. Revenue from operations | II.1 | 38,323.49 | 52,217.95 | 65,551.95 | 72,263.00 |
| II. Other Income | II.2 | 278.15 | 166.85 | 255.26 | 493.38 |
| III. Total Income (I +II) | | 38,601.64 | 52,384.80 | 65,807.21 | 72,756.38 |
| IV. Expenses: | | | | | |
| (a) Cost of material Consumed | II.3 | 31,208.06 | 39,945.18 | 50,759.97 | 59,136.72 |
| (b) Purchases of stock-in-trade | II.4 | 2,024.16 | 3,488.86 | 7,922.30 | 5,558.62 |
| (c) Changes in stock-in-trade | II.5 | 685.91 | 2,057.21 | 35.57 | (1,142.42) |
| (d) Employee benefits expenses | II.6 | 785.28 | 1,102.64 | 1,804.47 | 1,562.37 |
| (e) Finance costs | II.7 | 1,293.35 | 2,285.93 | 2,879.89 | 2,451.79 |
| (f) Depreciation and amortisation expenses | II.8 | 283.56 | 425.75 | 414.41 | 374.86 |
| (g) Other expenses | II.9 | 2,016.16 | 2,851.12 | 4,070.82 | 4,179.09 |
| Total Expenses | | 38,296.48 | 52,156.69 | 67,887.43 | 72,121.03 |
| V. Profit before Exceptional and Extraordinary Items and Tax (III - IV) | | 305.16 | 228.11 | (2,080.22) | 635.35 |
| VI. Exceptional Items & Extraordinary Items | | - | - | - | - |
| VII. Profit before tax (V+VI) | | 305.16 | 228.11 | (2,080.22) | 635.35 |
| VIII. Tax expense: | | | | | |
| (i) Current tax | | 50.64 | 37.45 | - | 132.69 |
| (ii) Mat Credit Entitlement | | (50.64) | (37.45) | - | (48.33) |
| (iii) Deferred tax | | 102.97 | 79.47 | (690.97) | 83.02 |
| Total Tax Expense | | 102.97 | 79.47 | (690.97) | 167.38 |
| IX. Profit/ (Loss) for the period (VII-VIII) | | 202.19 | 148.64 | (1,389.25) | 467.97 |
| X. Earnings per equity shares (of ₹. 10/- each) | | | | | |
| (i) Basic | II.12 | 1.46 | 1.37 | (12.80) | 4.33 |
| (ii) Diluted | II.12 | 1.46 | 1.37 | (12.80) | 4.33 |

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RESTATED CASH FLOW STATEMENT

(Amt in Lakh)

| Particulars | For the period ended 30 November, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|---|---|--|--|--|
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit Before Tax | 305.16 | 228.11 | (2,080.22) | 635.35 |
| Adjustments for: | | | | |
| Depreciation & Amortization expense | 283.56 | 425.75 | 414.41 | 374.86 |
| Interest expense on borrowings | 1,293.35 | 2,285.93 | 2,879.89 | 2,451.79 |
| Provision for Gratuity | 14.49 | 11.05 | 28.88 | 36.69 |
| Net (gain)/ loss on sale of Plant & Equipment | - | 6.80 | 1.14 | (194.11) |
| Interest Income | (25.69) | (41.38) | (47.68) | (25.24) |
| Operating Profit before Working Capital Changes | 1,870.87 | 2,916.26 | 1,196.42 | 3,279.34 |
| Adjustments for: | | | | |
| Increase/(decrease) in trade payables | 1,578.77 | 137.07 | 285.63 | (307.10) |
| Increase/(decrease) in other current liabilities | 153.95 | (211.48) | 191.94 | (67.34) |
| Increase/(decrease) in other non current liabilities | (54.87) | (16.69) | (4.82) | (5.02) |
| Decrease/(increase) in loans and advances | (265.30) | (216.01) | 511.61 | (760.19) |
| Decrease/(increase) in trade receivables | (161.95) | (2,497.47) | 543.29 | (3,213.42) |
| Decrease/(increase) in inventories | 689.65 | 2,290.43 | 852.29 | (927.66) |
| Decrease/(increase) in other non current assets | 50.00 | (42.20) | (43.41) | 6.04 |
| Decrease/(increase) in other current assets | 123.77 | 131.47 | 199.38 | (65.62) |
| Decrease/(increase) Other Bank Balances | (52.12) | 158.26 | (121.53) | (11.67) |
| Gratuity Paid | (8.89) | (90.17) | (26.82) | (25.63) |
| Cash generated from operations | 3,923.88 | 2,559.47 | 3,589.69 | (2,098.27) |
| Income taxes refunded/ (paid) | 78.30 | (51.43) | (33.70) | (156.77) |
| Net cash flow from operations (A) | 4,002.17 | 2,508.04 | 3,555.98 | (2,255.04) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of property, plant & equipment and Intangible assets | (242.17) | (228.62) | (421.96) | (525.81) |
| Sale of property, plant & equipment | 0.00 | 26.51 | 6.94 | 268.48 |
| Interest Income | 25.69 | 41.38 | 47.68 | 25.24 |
| Net cash flow from/ (used in) investing activities (B) | (216.48) | (160.73) | (367.34) | (232.09) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from issue of equity shares | 3,000.02 | - | - | 90.74 |
| Proceeds/ (Repayment) of Long-Term Borrowings (Net) | (2,998.71) | 1,719.01 | (473.89) | 4,379.46 |
| Proceeds/ (Repayment) of Short-Term Borrowings (Net) | (2,497.98) | (1,801.76) | 116.70 | (1,197.75) |
| Interest Paid | (1,293.35) | (2,285.93) | (2,879.89) | (2,451.79) |
| Net cash flow from/ (used in) financing activities (C) | (3,790.03) | (2,368.68) | (3,237.08) | 820.66 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (4.33) | (21.37) | (48.44) | (1,666.47) |
| Cash and cash equivalents at the beginning of the period/ year | 20.30 | 41.67 | 90.11 | 1,756.58 |
| Cash and cash equivalents at the closing of the period/ year | 15.97 | 20.30 | 41.67 | 90.11 |
| a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note I.17): | | | | |
| Particulars | For period ended November 30, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
| Cash in hand | 3.00 | 3.42 | 6.00 | 15.38 |

| | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|
| Cheque in hand | - | 2.50 | - | 35.00 |
| Balances with banks in Current Assets | 12.96 | 14.38 | 35.67 | 39.73 |
| Total | 15.97 | 20.30 | 41.67 | 90.11 |

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GENERAL INFORMATION

Brief Information on Company and Issue

| | | | | |
|--|---|-----|------------------|-----|
| Registered Office | 2, Arihant Nagar, Punjabi Bagh (W), West Delhi 110026 India. Tel: +91-11-35453545; Fax: N.A. E-mail: cs@swastikpipes.com Website: www.swastikpipes.com | | | |
| Date of Incorporation | October 10, 1973 | | | |
| CIN | U74899DL1973PLC006881 | | | |
| Company Category | Company Limited by Shares | | | |
| Registrar of Company | Registrar of Company, National Capital Territory of Delhi & Haryana 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019 Tel No. 011-26235703 Email: roc.delhi@mca.gov.in Website: www.mca.gov.in | | | |
| Company Secretary & Compliance Officer | Ms. Banani Sikdar 2, Arihant Nagar, Punjabi Bagh (W), West Delhi 110026 India. Tel: +91-9899075404; Fax: N.A. E-mail: cs@swastikpipes.com Website: www.swastikpipes.com | | | |
| Chief Financial Officer | Mr. Gulshan Rai 2, Arihant Nagar, Punjabi Bagh (W), West Delhi-110026, India. Tel: ; Fax: N.A. E-mail: cfo@swastikpipes.com Website: www.swastikpipes.com | | | |
| Designated Stock Exchange | National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Website : www.nseindia.com | | | |
| Issue Programme | Issue Opens On: | [●] | Issue Closes On: | [●] |

Note: Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE



Corporate Capital Ventures
SEBI Registered Category 1 Merchant Banker

CORPORATE CAPITAL VENTURES PRIVATE LIMITED

B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044

Tel: +91 11 - 41824066; **Fax:** +91 11 - 41824066

Email: smeipo@ccvindia.com

Website: www.ccvindia.com

SEBI Registration: INM000012276

Validity: Permanent

Contact Person: Mr. Kulbhushan Parashar

REGISTRAR TO THE ISSUE



SKYLINE FINANCIAL SERVICES PVT. LTD.

SEBI Registration No.: INR000003241

Address: D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020

Tel No: +91- 11-40450193-97; **Fax No:** +91-11-26812683

Email: compliances@skylinerta.com; **Website:** www.skylinerta.com;

Contact Person: Ms. Virender Kumar Rana

BANKER TO THE ISSUE & SPONSOR BANK

[•]

ADVISORS OF THE ISSUE



Pro Legal Solutions LLP

F-84, LGF, Kalkaji, New Delhi-110019

Tel No. 011-20880035/+91-9910244832

Fax No. Not Available

Email: info@prolegalsolutions.co.in

Website: www.prolegalsolutions.co.in

Contact Person: Mr. Prashant Pratap Singh

| MARKET MAKER |
|---|
| [•] |
| STATUTORY AUDITORS OF THE COMPANY |
| M/s O. Aggarwal & Co., Chartered Accountants Firm Registration No.: 005755N; Address: H-3/11- A, Krishna Nagar, Delhi- 110051 Tel. No: +91-9891577403/ 011- 42474547; Fax No.: N.A. Email: oac1959@gmail.com ; Contact Person: Mr. O.P. Aggarwal |
| LEGAL ADVISOR TO THE COMPANY |
| Adv. Parvindra Nautiyal Enrollment no. D/958/2020 57A, Om Vihar Phase-III, Uttam Nagar, New Delhi- 110059 Mobile. No.: +91- 8882017384 Fax No. : N.A. Email Id: adv.Parvindra@gmail.com Contact Person: Adv. Parvindra Nautiyal |

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| Sr. No. | Name | DIN | Category | Designation |
|---------|--------------------------|----------|---------------|----------------------|
| 1. | Mr. Sandeep Bansal | 00165391 | Executive | Managing Director |
| 2. | Mr. Dinesh Kumar Dhanda | 02421177 | Executive | Whole Time Director |
| 3. | Mr. Surinder Singh | 06941329 | Executive | Whole Time Director |
| 4. | Mr. Rajinder Kumar Anand | 08132362 | Non-Executive | Independent Director |
| 5. | Mr. Vishal Dugar | 00444076 | Non-Executive | Independent Director |
| 6. | Ms. Sony Kumari | 09270483 | Non-Executive | Independent Director |

For further details of our Directors, please refer chapter titled “Our Management” beginning on page 137 of this Draft Red Herring Prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e., Skyline Financial Services Private Limited and/or the Lead Manager, i.e., Corporate Capital Ventures Private Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website www.sebi.gov.in at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum 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 on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Bid cum 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 Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

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

CREDIT RATING

The credit rating of our company is reaffirmed as IVR-BBB-/ Stable for long term debt & IVR A3 from short term bank as on March 22, 2022 by Infomerics Rating.

IPO GRADING

Since the Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

EXPERT OPINION

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

Our Company has received written consent dated March 13, 2021 from Peer Review Auditor namely, M/s O. Aggarwal & Co., Chartered Accountants and Advocate Parvindra Nautiyal respectively, to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act.

The Peer Review Auditor M/s O. Aggarwal & Co., Chartered Accountants has given their expert opinion, as included in this Draft Red Herring Prospectus, in relation to the Restated Financial Information, the examination report dated March 12, 2022 on the same, and the statement of Special Tax Benefits dated March 13, 2022. Further, Advocate Parvindra Nautiyal has given his expert opinion, as included in this Draft Red Herring Prospectus, in relation to the Outstanding Litigations and Material Developments dated April 13, 2022.

Aforementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹. 10,000 Lakh. Since 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, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Name, Address, Telephone, Fax, and Email of the Underwriter | Indicative No. of Equity Shares to be Underwritten | Amount Underwritten (Rs. in Lakh) | % of the Total Issue Size Underwritten |
|---|--|-----------------------------------|--|
| Corporate Capital Ventures Private Limited Address: B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044 Tel: +91 11 - 41824066; Fax: +91 11 - 41824066 Email: smeipo@ccvindia.com Website: www.ccvindia.com SEBI Registration: INM000012276 Validity: Permanent Contact Person: Mr. Kulbhushan Parashar | 62,51,200 | [●] | [●] |

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

FILING OF OFFER DOCUMENT

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Red Herring Prospectus shall be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> and pursuant to Regulation 246(2), the Board shall not be issuing observation.

Further, in accordance with Regulation 246(1) a copy of the Red Herring Prospectus along with the other documents, shall also be filed with the RoC, Delhi, under Section 32 of the Companies Act, 2013.

CHANGE IN THE AUDITOR DURING LAST 3 YEAR

There are no changes in the Auditor during last three years as on date of this Draft Red Herring Prospectus.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for 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 to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE EMERGE on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE EMERGE, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager have entered into a tripartite agreement dated [●] with [●] the MarketMaker for this Issue, duly registered with NSE EMERGE to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE 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 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. Further, the Market Maker(s) shall inform the 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 Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE EMERGE and SEBI from time to time.
3. The minimum depth of the quote shall be ₹.1,00,000. However, the investors with holdings of value less than ₹.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. 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.
7. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. 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 problems. 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). 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 Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five 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.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE 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 can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE 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 Makers, 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(s) 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 Makers from time to time.

11. 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 ₹ 250crores, the applicable price bands for the first day shall be:

(i) 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.

(ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

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 SME Exchange Platform.

| S. No. | Market Price Slab | Proposed Spread (in % to sale price) |
|--------|-------------------|--------------------------------------|
| 1 | Upto 50 | 9.00% |
| 2 | 50 to 75 | 8.00% |
| 3 | 75-100 | 6.00% |
| 4 | Above 100 | 5.00% |

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 problems. 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. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27,2012, limits on the upper side for Markets Makers 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% |
| Rs.20 Crore to ₹.50 Crore | 20% | 19% |
| Rs.50 Crore To ₹.80 Crore | 15% | 14% |
| Above ₹.80 Crore | 12% | 11% |

The Marketing 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 from time to time.

The trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:

| # | Particulars | Amount (Rs. in Lakhs) | |
|----|---|-------------------------|--------------------------------|
| | | Aggregate nominal value | Aggregate value at Offer Price |
| A. | Authorised Share Capital | | |
| | 2,62,50,000 Equity Shares of ₹.10/- each | 2625.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 1,69,79,460 Equity Shares of ₹.10/- each | 1697.94 | - |
| C. | Present Issue in terms of the Prospectus | | |
| | Offer of 62,51,200 Equity Shares of Face Value ₹10/- each at a Price of ₹ [•] per Equity Share | [•] | [•] |
| | <i>Consisting of:</i> | | |
| | Reservation for Market Maker- 3,15,200 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as MarketMaker Portion. | [•] | [•] |
| | Net Issue to the Public – 59,36,000 Equity Shares of ₹.10/- each at a price of ₹ [•] per Equity Share. | [•] | [•] |
| | Of the Net Issue to the Public | | |
| | Allocation to Qualified Institutional Buyers 25,12,000 Equity Shares of ₹.10/- each at a price of ₹. [•] per Equity Share shall be available for allocation for Investors | [•] | [•] |
| | Allocation to Retail Individual Investors 22,08,000 Equity Shares of ₹.10/- each at a price of ₹. [•] per Equity Share shall be available for allocation for Investors applying for a value of up to ₹.2.00 Lakhs. | [•] | [•] |
| | Allocation to Non Institutional Investors 12,16,000 Equity Shares of ₹.10/- each at a price of ₹. [•] per Equity Share shall be available for allocation for Investors applying for a value of above ₹.2.00 Lakhs. | [•] | [•] |
| D. | Issued, Subscribed and Paid-up Share Capital after the Issue | | |
| | 2,32,30,660 Equity Shares of ₹. 10/- each | 2,323.06 | |
| E. | Securities Premium Account | | |
| | Before the Issue | 3,334.87 | |
| | After the Issue | [•] | |

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated March 12, 2022 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on March 28, 2022.

Our Company has only one class of share capital i.e. Equity Shares of the face value of ₹. 10/- each only. All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorised Share Capital:

Since 31/03/2000 the authorised share capital of our Company has been altered in the manner set forth below:

| S.N. | Date | No. of Shares | Face Value (in ₹.) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in ₹.) | Whether AGM/EGM |
|------|-------------------|---------------|--------------------|--------------------------|---|-----------------|
| 1. | As on 31/03/2000* | 2,00,000 | 100 | 2,00,000 | 2,00,00,000 | EGM |
| 2. | As on 31/03/2001* | 60,000 | 100 | 2,60,000 | 2,60,00,000 | EGM |
| 3. | 27/12/2002 | 50,000 | 100 | 3,10,000 | 3,10,00,000 | EGM |
| 4. | 14/06/2004 | 40,000 | 100 | 3,50,000 | 3,50,00,000 | EGM |
| 5. | 06/06/2005 | 50,000 | 100 | 4,00,000 | 4,00,00,000 | EGM |
| 6. | 29/11/2007 | 2,00,000 | 100 | 6,00,000 | 6,00,00,000 | EGM |
| 7. | 27/12/2007 | 4,00,000 | 100 | 10,00,000 | 10,00,00,000 | EGM |
| 8. | 01/07/2021 | 4,25,000 | 100 | 14,25,000 | 14,25,00,000 | EGM |
| 9. | 10/03/2022** | 1,42,50,000 | 10 | 1,42,50,000 | 14,25,00,000 | EGM |
| 10. | 10/03/2022 | 1,20,00,000 | 10 | 2,62,50,000 | 26,25,00,000 | EGM |

*Note: We are unable to trace complete documents of the resolution passed by the Shareholders of our Company and relevant form filings with RoC for changes in Authorised Capital and therefore details mentioned above are extracted from available Forms & registers in the records of the Company. We have relied on the search report by Ms. Neha Mishra (COP No. 9211), Practising Company Secretary for tracing changes in Authorised Capital. For further information, please refer to the Chapter titled "Risk Factors" beginning on Page No. 16 of this Draft Red Herring Prospectus.

**Sub-Division of Equity Shares from 14,25,000 Equity Shares of Rs.100/- each to 1,42,50,000 Equity Shares of Rs.10/- each by split of shares pursuant to EGM held on March 10, 2022.

2. History of Equity Share Capital of our Company

| Note | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid -up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|------|-------------------|-------------------------------|------------------|-------------------|-------------------------|---------------------|------------------------------------|-----------------------------------|-------------------------------------|
| 1. | On Incorporation | 100 | 100 | 100 | Cash | Subscription to MOA | 100 | 10,000 | Nil |
| 2. | January 31, 1974 | 2,925 | 100 | 100 | Cash | Allotment | 3,025 | 3,02,500 | Nil |
| 3. | March 30, 1974 | 3,955 | 100 | 100 | Cash | Allotment | 6,980 | 6,98,000 | Nil |
| 4. | August 08, 1974 | 9,280 | 100 | 100 | Cash | Allotment | 16,260 | 16,26,000 | Nil |
| 5. | January 28, 1975 | 2,150 | 100 | 100 | Cash | Allotment | 18,410 | 18,41,000 | Nil |
| 6. | June 14, 1975 | 1,550 | 100 | 100 | Cash | Allotment | 19,960 | 19,96,000 | Nil |
| 7. | July 02, 1975 | 2,650 | 100 | 100 | Cash | Allotment | 22,610 | 22,61,000 | Nil |

| | | | | | | | | | |
|-----|--------------------|--------|-----|-----|------|-----------|----------|-------------|-----|
| 8. | November 07, 1975 | 1,900 | 100 | 100 | Cash | Allotment | 24,510 | 24,51,000 | Nil |
| 9. | February 13, 1978 | 10 | 100 | 100 | Cash | Allotment | 24,520 | 24,56,000 | Nil |
| 10. | March 28, 1988 | 8,050 | 100 | 100 | Cash | Allotment | 32,570 | 32,57,000 | Nil |
| 11. | August 12, 1988 | 3,600 | 100 | 100 | Cash | Allotment | 36,170 | 36,17,000 | Nil |
| 12. | May 31, 1989 | 3,830 | 100 | 100 | Cash | Allotment | 40,000 | 40,00,000 | Nil |
| 13. | September 22, 1989 | 2,200 | 100 | 100 | Cash | Allotment | 42,200 | 42,20,000 | Nil |
| 14. | February 28, 1991 | 500 | 100 | 100 | Cash | Allotment | 42,700 | 42,70,000 | Nil |
| 15. | October 28, 1991 | 4000 | 100 | 100 | Cash | Allotment | 46,700 | 46,70,000 | Nil |
| 16. | March 04, 1992 | 1,000 | 100 | 100 | Cash | Allotment | 47,700 | 47,70,000 | Nil |
| 17. | January 04, 1993 | 4,200 | 100 | 100 | Cash | Allotment | 51,900 | 51,90,000 | Nil |
| 18. | September 29, 1993 | 4,500 | 100 | 100 | Cash | Allotment | 56,400 | 56,40,000 | Nil |
| 19. | March 31, 1994 | 3,000 | 100 | 100 | Cash | Allotment | 59,400 | 59,40,000 | Nil |
| 20. | March 31, 1995 | 7,500 | 100 | 100 | Cash | Allotment | 66,900 | 66,90,000 | Nil |
| 21. | June 29, 1995 | 18,500 | 100 | 100 | Cash | Allotment | 85,400 | 85,40,000 | Nil |
| 22. | March 29, 1997 | 4,000 | 100 | 100 | Cash | Allotment | 89,400 | 89,40,000 | Nil |
| 23. | March 16, 1998 | 18,000 | 100 | 100 | Cash | Allotment | 97,400 | 97,40,000 | Nil |
| 24. | May 30, 1998 | 23,500 | 100 | 100 | Cash | Allotment | 1,30,900 | 1,30,90,000 | Nil |
| 25. | August 22, 1998 | 1,500 | 100 | 100 | Cash | Allotment | 1,32,400 | 1,32,40,000 | Nil |
| 26. | January 07, 2000 | 2,000 | 100 | 100 | Cash | Allotment | 1,34,400 | 1,34,40,000 | Nil |
| 27. | March 16, 2000 | 22,000 | 100 | 100 | Cash | Allotment | 1,56,400 | 1,56,40,000 | Nil |
| 28. | July 20, 2000 | 9,000 | 100 | 100 | Cash | Allotment | 1,65,400 | 1,65,40,000 | Nil |
| 29. | July 24, 2000 | 29,500 | 100 | 100 | Cash | Allotment | 1,94,900 | 1,94,90,000 | Nil |
| 30. | July 31, 2000 | 36,500 | 100 | 100 | Cash | Allotment | 2,31,400 | 2,31,40,000 | Nil |
| 31. | March 23, 2001 | 20,000 | 100 | 100 | Cash | Allotment | 2,51,400 | 2,51,40,000 | Nil |

| | | | | | | | | | |
|-----|--------------------|------------|-----|-----|-----------------|------------------------|-------------|--------------|--------------|
| 32. | February 17, 2002 | 15,800 | 100 | 100 | Cash | Allotment | 2,67,200 | 2,67,20,000 | Nil |
| 33. | July 29, 2002 | 14,500 | 100 | 100 | Cash | Allotment | 2,81,700 | 2,81,70,000 | Nil |
| 34. | February 17, 2003 | 15,800 | 100 | 100 | Cash | Allotment | 2,97,500 | 2,97,50,000 | Nil |
| 35. | February 25, 2004 | 25,000 | 100 | 100 | Cash | Allotment | 3,22,500 | 3,22,50,000 | Nil |
| 36. | July 29, 2004 | 1,000 | 100 | 100 | Cash | Allotment | 3,23,500 | 3,23,50,000 | Nil |
| 37. | March 31, 2005 | 6,500 | 100 | 100 | Cash | Allotment | 3,30,000 | 3,30,00,000 | Nil |
| 38. | March 31, 2006 | 54,000 | 100 | 100 | Cash | Allotment | 3,84,000 | 3,84,00,000 | Nil |
| 39. | January 31, 2008 | 3,98,750 | 100 | 100 | Cash | Allotment | 7,82,750 | 7,80,75,000 | Nil |
| 40. | March 31, 2008 | 28,000 | 100 | 100 | Cash | Allotment | 8,10,750 | 8,11,75,000 | Nil |
| 41. | March 30, 2013 | 66,500 | 100 | 690 | Cash | Allotment | 8,77,250 | 8,77,25,000 | 3,92,35,000 |
| 42. | March 27, 2015 | 23,205 | 100 | 785 | Cash | Private Placement | 9,00,455 | 9,00,45,500 | 1,58,95,425 |
| 43. | March 31, 2017 | 2,840 | 100 | 880 | Cash | Private Placement | 9,03,295 | 9,03,29,500 | 22,15,200 |
| 44. | March 24, 2018 | 7,000 | 100 | 926 | Cash | Private Placement | 9,10,295 | 9,10,29,500 | 57,82,000 |
| 45. | September 24, 2018 | 9,800 | 100 | 926 | Cash | Private Placement | 9,20,095 | 9,20,09,500 | 80,94,800 |
| 46. | July 31, 2021 | 3,77,360 | 100 | 795 | Other than Cash | Conversion of Loan | 12,97,455 | 12,97,45,500 | 26,22,65,200 |
| 47. | January 08, 2022 | 1,17,500 | 100 | 850 | Cash | Preferential Allotment | 14,14,955 | 14,14,95,500 | 8,81,25,000 |
| 48. | March 10, 2022* | 1,41,49,55 | 10 | - | - | - | 1,41,49,550 | 14,14,95,500 | - |
| 49. | March 31, 2022 | 28,29,910 | 10 | - | Other than Cash | Bonus Issue | 1,69,79,460 | 16,97,94,660 | - |

*Sub-Division of Equity Shares from 14,25,000 Equity Shares of Rs.100/- each to 1,42,50,000 Equity Shares of Rs.10/- each by split of shares pursuant to EGM held on March 10, 2022.

Note:

1. Initial Subscribers to Memorandum of Association hold 100 Equity Shares each of face value of ₹. 100/- fully paid up as per the details given below:

| S.N. | Name of Person | No. of Shares Allotted |
|------|-------------------------|------------------------|
| 1. | Mr. Brij Nath Tayal | 50 |
| 2. | Mr. Sushil Kumar Mittal | 50 |
| | Total | 100 |

2. The Company thereafter allotted 2,925 Equity shares on January 31, 1974, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-------------------------|----------------------|
| 1. | Mr. Devki Nandan Bansal | 60 |
| 2. | Mr. Gopal kishan Goyal | 1,000 |
| 3. | Mr. Devki Nandan Bansal | 250 |
| 4. | Mr. Sushil kumar Mittal | 210 |
| 5. | Mr. Brij Nath Tayal | 15 |
| 6. | Mr. Atma ram Bansal | 500 |
| 7. | Mr. Sushil kumar Mittal | 250 |
| 8. | Mr. Devki Nandan Bansal | 90 |
| 9. | Mr. Sushil kumar Mittal | 50 |
| 10. | Mr. Devki Nandan Bansal | 500 |
| | Total | 2,925 |

3. The Company thereafter allotted 3,955 Equity shares on March 30, 1974, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Devki Nandan Bansal | 100 |
| 2. | Mrs. Geeta Devi Aggarwal | 500 |
| 3. | Mr. Sushil Kumar Mittal | 250 |
| 4. | Mr. Devki Nandan Bansal | 50 |
| 5. | Mr. Devki Nandan Bansal | 200 |
| 6. | Mrs. Geeta Devi Aggarwal | 200 |
| 7. | Mr. Sushil Kumar Mittal | 250 |
| 8. | Mr. Devki Nandan Bansal | 200 |
| 9. | Mr. Devki Nandan Bansal | 150 |
| 10. | Mr. Shiv Prakash Goyal | 200 |
| 11. | Mr. Devki Nandan Bansal | 100 |
| 12. | Mr. Geeta Devi Aggarwal | 150 |
| 13. | Mr. Sushil Kumar Mittal | 500 |
| 14. | Mr. Atma ram Bansal | 500 |
| 15. | Mr. Shiv Prakash Goyal | 300 |
| 16. | Mrs. Geeta Devi Aggarwal | 50 |
| 17. | Mrs. Kalawati Devi | 40 |
| 18. | Mrs. Pisto Devi | 40 |
| 19. | Mr. Dharam Pal | 45 |
| 20. | Mr. Raja Ram | 40 |
| 21. | Mr. Mani Ram | 45 |
| 22. | Mr. Hira Lal | 45 |
| | Total | 3,955 |

4. The Company thereafter allotted 9,280 Equity shares on August 08, 1974, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-------------------------|----------------------|
| 1. | Mr. Brij Nath Tayal | 60 |
| 2. | Mr. Devki Nandan Bansal | 500 |
| 3. | Mr. Sushil kumar Mittal | 260 |
| 4. | Mr. Shiv Prakash Goyal | 500 |

| | | |
|-----|------------------------------|--------------|
| 5. | Mr. Devki Nandan Bansal | 250 |
| 6. | Mr. Sushil kumar Mittal | 400 |
| 7. | Mr. Atma ram Bansal | 500 |
| 8. | Mr. Atma ram Bansal | 250 |
| 9. | Mr. Atma ram Bansal | 500 |
| 10. | Mr. Sushil kumar Mittal | 290 |
| 11. | Mr. Sushil kumar Mittal | 500 |
| 12. | Mr. Devki Nandan Bansal | 200 |
| 13. | Mr. Devki Nandan Bansal | 400 |
| 14. | Mr. Sushil kumar Mittal | 500 |
| 15. | Mr. Sushil kumar Mittal | 160 |
| 16. | Mrs. Geeta Devi Aggarwal | 100 |
| 17. | Mr. Gopal kishan Goyal | 500 |
| 18. | Mr. Sushil kumar Mittal | 60 |
| 19. | Mr. Shiv Prakash Goyal | 500 |
| 20. | Mr. Atma ram Bansal | 250 |
| 21. | Mr. Rajinder Prasad Aggarwal | 250 |
| 22. | Mr. Shiv Prakash Goyal | 250 |
| 23. | Mr. Sushil kumar Mittal | 300 |
| 24. | Mr. Devki Nandan Bansal | 100 |
| 25. | Mr. Devki Nandan Bansal | 150 |
| 26. | Mr. Vishwanath Mangiwala | 300 |
| 27. | Mr. Vishwanath Mangiwala | 250 |
| 28. | Mrs. Narayani Devi | 300 |
| 29. | Mr. Rajinder Prasad Aggarwal | 250 |
| 30. | Mrs. Narayani Devi | 450 |
| | Total | 9,280 |

5. The Company thereafter allotted 2,150 Equity shares on January 28, 1975, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|------------------------------|----------------------|
| 1. | Mr. Vishwanath Mangiwala | 200 |
| 2. | Mr. Vishwanath Mangiwala | 250 |
| 3. | Mr. Devki Nandan Bansal | 100 |
| 4. | Mr. Devki Nandan Bansal | 100 |
| 5. | Mr. Devki Nandan Bansal | 100 |
| 6. | Mr. Gopal kishan Goyal | 400 |
| 7. | Mr. Rajinder Prasad Aggarwal | 250 |
| 8. | Mr. Rajinder Prasad Aggarwal | 250 |
| 9. | Mr. Sushil Kumar Mittal | 500 |
| | Total | 2,150 |

6. The Company thereafter allotted 1,550 Equity shares on June 14, 1975, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-----------------------|----------------------|
| 1. | Mr. Shri Kishan Saraf | 260 |
| 2. | Mr. Padam Ahamd Saraf | 100 |
| 3. | Mr. Shyam Lal Saraf | 140 |
| 4. | Mr. Shri Kishan Saraf | 250 |

| | | |
|----|---------------------|--------------|
| 5. | Mr. Swadesh Parshad | 400 |
| 6. | Mr. Swadesh Parshad | 400 |
| | Total | 1,550 |

7. The Company thereafter allotted 2,650 Equity shares on July 02, 1975, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|------------------------|----------------------|
| 1. | Mr. Shanti Lal Jain | 250 |
| 2. | Mr. Naresh Kumar Garg | 550 |
| 3. | Mr. Dinesh Kumar Garg | 550 |
| 4. | Mr. Kanti Parshad | 800 |
| 5. | Mr. Ram Lal Fatehpuria | 250 |
| 6. | Mr. Shyam lal Saraf | 70 |
| 7. | Mr. Brij Mohan Saraf | 80 |
| 8. | Mr. Vinod kumar | 100 |
| | Total | 2,650 |

8. The Company thereafter allotted 1,900 Equity shares on November 07, 1975, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-----------------------------|----------------------|
| 1. | Mrs. Narbada devi | 500 |
| 2. | Mr. Guru Narayan Fatehpuria | 200 |
| 3. | Mr. Brij Nath Tayal | 50 |
| 4. | Mr. Rattan lal Fatehpuria | 300 |
| 5. | Mr. Guru Narayan Fatehpuria | 500 |
| 6. | Mr. Guru Narayan Fatehpuria | 350 |
| | Total | 1,900 |

9. The Company thereafter allotted 10 Equity shares on February 13, 1978, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|---------------------------------|----------------------|
| 1. | Savnac Fabritex Private limited | 10 |
| | Total | 10 |

10. The Company thereafter allotted 8,050 Equity shares on March 28, 1988, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mrs. Shanti Devi | 1,500 |
| 2. | D.N. Bansal & Sons HUF | 800 |
| 3. | Mr. Devki Nandan Bansal | 250 |
| 4. | Mr. Sandeep kumar bansal | 1,800 |
| 5. | Mr. Sandeep kumar bansal | 1,700 |
| 6. | Mrs. Geeta Devi Aggarwal | 800 |
| 7. | Mrs. Shanti Devi | 200 |
| 7. | Mr. Murli Dhar | 1,000 |
| | Total | 8,050 |

11. The Company thereafter allotted 3,600 Equity shares on August 12, 1988, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|------|----------------------|
|------|------|----------------------|

| | | |
|----|--------------------------|--------------|
| 1. | Mrs. Renu Bansal | 350 |
| 2. | Mrs. Pinki Bansal | 350 |
| 3. | Mrs. Sonika Bansal | 300 |
| 4. | D.N. Bansal & Sons HUF | 750 |
| 5. | Mr. Sandeep kumar bansal | 900 |
| 6. | Mr. Sandeep kumar bansal | 950 |
| | Total | 3,600 |

12. The Company thereafter allotted 3,830 Equity shares on May 31, 1989, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-----------------------------|----------------------|
| 1. | D.N. Bansal & Sons HUF | 800 |
| 2. | Mr. Om Prakash Aggarwal | 800 |
| 3. | Mr. Praveen Kumar Bansal | 200 |
| 4. | Mrs. Geeta Devi Aggarwal | 400 |
| 5. | Mr. Devki Nandan Bansal | 330 |
| 6. | Mr. Sandeep kumar Bansal | 300 |
| 7. | Mr. Goverdhan Dass Aggarwal | 1,000 |
| | Total | 3,830 |

13. The Company thereafter allotted 2,200 Equity shares on September 22, 1989, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-----------------------------|----------------------|
| 1. | Mr. Ramesh Chander Mittal | 500 |
| 2. | Mr. Ram Dulari Mittal | 500 |
| 3. | Mr. Goverdhan Dass Aggarwal | 400 |
| 4. | Nagar Mal & Sons (HUF) | 200 |
| 5. | Mr. Anand Aggarwal | 200 |
| 6. | Mr. Nagar Mal Gupta | 400 |
| | Total | 2,200 |

14. The Company thereafter allotted 500 Equity shares on February 28, 1991 the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|------------------------|----------------------|
| 1. | Mr. Sajjan Kumar Gupta | 500 |
| | Total | 500 |

15. The Company thereafter allotted 4,000 Equity shares on October 28, 1991, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-----------------------------|----------------------|
| 1. | Mrs. Pinki Bansal | 650 |
| 2. | Mrs. Sonika Bansal | 700 |
| 3. | Mrs. Renu Bansal | 650 |
| 4. | Naresh Kumar Bansal HUF | 1,000 |
| 5. | Bhiku Ram Bansal & Sons HUF | 1,000 |
| | Total | 4,000 |

16. The Company thereafter allotted 1,000 Equity shares on March 04, 1992, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|------|----------------------|
|------|------|----------------------|

| | | |
|----|----------------------|--------------|
| 1. | Mr. Chaman Mal Gupta | 1,000 |
| | Total | 1,000 |

17. The Company thereafter allotted 4,200 Equity shares on January 04, 1993, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Devki Nandan Bansal | 2000 |
| 2. | Mr. Devki Nandan Bansal | 1500 |
| 3. | Mr. Sandeep Kumar bansal | 700 |
| | Total | 4200 |

18. The Company thereafter allotted 4,500 Equity shares on September 29, 1993, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Devki Nandan Bansal | 2,000 |
| 2. | Mr. Devki Nandan Bansal | 1,000 |
| 3. | Mrs. Geeta Devi Aggarwal | 1,000 |
| 4. | Mrs. Shanti Devi | 500 |
| | Total | 4,500 |

19. The Company thereafter allotted 3,000 Equity shares on March 31, 1994, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mrs. Geeta Devi Aggarwal | 3000 |
| | Total | 3,000 |

20. The Company thereafter allotted 7,500 Equity shares on March 31, 1995, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Mr. Sandeep kumar bansal | 3,500 |
| 2. | Mrs. Geeta Devi Aggarwal | 2,000 |
| 3. | D.N. Bansal & Sons HUF | 1,000 |
| 4. | Blue Stone Trade & Finance Private Limited | 1,000 |
| | Total | 7,500 |

21. The Company thereafter allotted 18,500 Equity shares on June 29, 1995, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Mr. Sandeep Kumar Bansal | 3,000 |
| 2. | Mr. Devki Nandan Bansal | 5,000 |
| 3. | Mrs. Geeta Devi Aggarwal | 3,000 |
| 4. | GDA Finvest & Trade Private Limited | 5,000 |
| 5. | Blue Stone Trade & Finance Private Limited | 2,500 |
| | Total | 18,500 |

22. The Company thereafter allotted 4,000 Equity shares on March 29, 1997, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|---------------------|----------------------|
| 1. | Mrs. Anupama Bansal | 4,000 |
| | Total | 4,000 |

23. The Company thereafter allotted 18,000 Equity shares on March 16, 1998, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mrs. Geeta Devi Aggarwal | 8,000 |
| 2. | D.N. Bansal & Sons HUF | 10,000 |
| | Total | 18,000 |

24. The Company thereafter allotted 23,500 Equity shares on May 30, 1998, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | D.N. Bansal & Sons HUF | 4,500 |
| 2. | Mr. Devki Nandan Bansal | 9,500 |
| 3. | Mr. Sandeep Kumar Bansal | 9,500 |
| | Total | 23,500 |

25. The Company thereafter allotted 1,500 Equity shares on August 22, 1998, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Blue Stone Trade & Finance Private Limited | 1,500 |
| | Total | 1,500 |

26. The Company thereafter allotted 2,000 Equity shares on January 07, 2000, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Sandeep Kumar Bansal | 2,000 |
| | Total | 2,000 |

27. The Company thereafter allotted 22,000 Equity shares on March 16, 2000, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|----------------------------|----------------------|
| 1. | Allied Poles India Limited | 16,000 |
| 2. | Mr. Sandeep Kumar Bansal | 6,000 |
| | Total | 22,000 |

28. The Company thereafter allotted 9,000 Equity shares as Private Placement on July 20, 2000, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mrs. Geeta Devi Aggarwal | 9,000 |
| | Total | 9,000 |

29. The Company thereafter allotted 29,500 Equity shares on July 24, 2000, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-------------------------------------|----------------------|
| 1. | Mrs. Anupama Bansal | 4,000 |
| 2. | GDA Finvest & Trade Private Limited | 10,500 |
| 3. | Mr. Sandeep kumar Bansal | 15,000 |
| | Total | 29,500 |

30. The Company thereafter allotted 36,500 Equity shares on July 31, 2000, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Blue Stone Trade & Finance Private Limited | 20,000 |
| 2. | Mrs. Anupama Bansal | 10,000 |
| 3. | GDA Finvest & Trade Private Limited | 6,500 |
| | Total | 36,500 |

31. The Company thereafter allotted 20,000 Equity shares on March 23, 2001, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-------------------------|----------------------|
| 1. | Mr. Devki Nandan Bansal | 20,000 |
| | Total | 20,000 |

32. The Company thereafter allotted 15,800 Equity shares on February 17, 2002, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Sandeep kumar Bansal | 4,500 |
| 2. | Mr. Sandeep kumar Bansal | 4,500 |
| 3. | Mr. Sandeep kumar Bansal | 4,000 |
| 4. | Mr. Sandeep kumar Bansal | 2,800 |
| | Total | 15,800 |

33. The Company thereafter allotted 14,500 Equity shares on July 29, 2002, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-------------------------------------|----------------------|
| 1. | GDA Finvest & Trade Private Limited | 14,500 |
| | Total | 14,500 |

34. The Company thereafter allotted 15,800 Equity shares on February 17, 2003, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|-------------------------|----------------------|
| 1. | Mrs. Anupama Bansal | 1,800 |
| 2. | Mr. Devki Nandan Bansal | 4,500 |
| 3. | Mr. Devki Nandan Bansal | 4,500 |
| 4. | Mr. Devki Nandan Bansal | 4,000 |
| 5. | Mr. Devki Nandan Bansal | 1,000 |
| | Total | 15,800 |

35. The Company thereafter allotted 25,000 Equity shares on February 25, 2004, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Mrs. Geeta Devi Aggarwal | 4,000 |
| 2. | Mr. Sandeep kumar bansal | 1,000 |
| 3. | Blue Stone Trade & Finance Private Limited | 5,000 |
| 4. | OP Aggarwal & Sons HUF | 1,000 |
| 5. | Aggarwal Assignment Private Limited | 1,000 |
| 6. | Vrindavan Farms Private limited | 2,000 |
| 7. | D.N. Bansal & Sons HUF | 11,000 |
| | Total | 25,000 |

36. The Company thereafter allotted 1,000 Equity shares on July 29, 2004, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Blue Stone Trade & Finance Private Limited | 1,000 |
| | Total | 1,000 |

37. The Company thereafter allotted 6,500 Equity shares on March 31, 2005, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Sandeep kumar Bansal | 6,500 |
| | Total | 6,500 |

38. The Company thereafter allotted 54,000 Equity shares on March 31, 2006, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mrs. Anupama Bansal | 1,000 |
| 2. | Mr. Sandeep kumar Bansal | 1,000 |
| 3. | Mr. Shashwat Bansal | 50,000 |
| 4. | D.N. Bansal & Sons HUF | 2,000 |
| | Total | 54,000 |

39. The Company thereafter allotted 3,98,750 Equity on January 31, 2008, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mrs. Geeta Devi Aggarwal | 1,03,750 |
| 2. | Mr. Devki Nandan Bansal | 90,250 |
| 3. | Mr. Sandeep Bansal | 1,33,250 |
| 4. | Mrs. Anupama Bansal | 71,500 |
| | Total | 3,98,750 |

40. The Company thereafter allotted 28,000 Equity shares on March 31, 2008, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|---------------------|----------------------|
| 1. | Mrs. Anupama Bansal | 28,000 |
| | Total | 28,000 |

41. The Company thereafter allotted 66,500 Equity shares on March 30, 2013, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Mrs. Geeta Devi Aggarwal | 9,700 |
| 2. | GDA Finvest & Trade Private Limited | 30,800 |
| 3. | Blue Stone Trade & Finance Private Limited | 7,250 |
| 4. | Media Ventures India Private Limited | 10,200 |
| 5. | D.N. Bansal & Sons HUF | 5,050 |
| 6. | Mr. Sandeep kumar Bansal | 3,500 |
| | Total | 66,500 |

42. The Company thereafter allotted 23,205 Equity shares as Private Placement on March 27, 2015, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------------------|----------------------|
| 1. | Mr. Sandeep kumar Bansal | 2,420 |
| 2. | Mrs. Anupama Bansal | 3,180 |
| 3. | Mr. Devki Nandan Bansal | 2,325 |
| 4. | Mrs. Geeta Devi Aggarwal | 1,530 |
| 5. | S.K. Bansal & Sons HUF | 2,800 |
| 6. | Media Ventures India Private Limited | 10,950 |
| | Total | 23,205 |

43. The Company thereafter allotted 2,840 Equity shares as Private Placement on March 31, 2017, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Blue Stone Trade & Finance Private Limited | 2,840 |
| | Total | 2,840 |

44. The Company thereafter allotted 7,000 Equity shares as Private Placement on March 24, 2018, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Sandeep Kumar Bansal | 7,000 |
| | Total | 7,000 |

45. The Company thereafter allotted 9,800 Equity shares as Private Placement on September 24, 2018, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|------------------------|----------------------|
| 1. | D.N. Bansal & Sons HUF | 9,800 |
| | Total | 9,800 |

46. The Company thereafter allotted 3,77,360 Equity shares pursuant to conversion of loan on July 31, 2021, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--------------------------|----------------------|
| 1. | Mr. Sandeep Kumar Bansal | 62,894 |
| 2. | Mrs. Geeta Devi Aggarwal | 3,14,466 |
| | Total | 3,77,360 |

47. The Company thereafter allotted 1,17,500 Equity shares as Preferential Allotment on January 08, 2022, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|---------------------------------|----------------------|
| 1. | Jhanjhari Holdings Pvt. Ltd | 58500 |
| 2. | Pushpanjali Investrade Pvt. Ltd | 59000 |
| | Total | 117500 |

48. The Company thereafter allotted 28,29,910 Equity shares as Bonus Issue on March 31, 2022, the details of which is given below:

| S.N. | Name | No. of Shares Issued |
|------|--|----------------------|
| 1. | Sandeep Bansal | 658318 |
| 2. | Geeta Devi Aggarwal | 603070 |
| 3. | Geeta Devi Aggarwal (Joint A/c) | 628932 |
| 4. | Anupama Bansal | 293060 |
| 5. | Shashwat Bansal | 100000 |
| 6. | S.K. Bansal & Sons HUF | 5600 |
| 7. | GDA Finvest And Trade Private Limited | 134600 |
| 8. | Media Venture India Private Limited | 74300 |
| 9. | Pushpanjali Investrade Private Limited | 118000 |
| 10. | Jhanjhari Holdings Private Limited | 117000 |
| 11. | Mindtree Info Solutions Private Limited | 8810 |
| 12. | Agarwal Assignments Private Limited | 2000 |
| 13. | Blue Stone Trade & Finance Private Limited | 82180 |
| 14. | Naresh Kumar Bansal | 2040 |
| 15. | Naresh Kumar Bansal HUF | 2000 |
| | Total | 2829910 |

**Note: The corporate action for Bonus issue dated March 31, 2022 is pending.*

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3. Shareholding of the Promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters – Mr. Sandeep Bansal, Smt. Geeta Devi Aggarwal, Mrs. Anupama Bansal and Mr. Shashwat Bansal and holds total 1,37,00,280 Equity Shares representing 80.69 % of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (in ₹) | Issue/ Transfer price per Equity Share (in ₹) | Consideration (cash/ other than cash) | Name of Transferor / Transferee |
|---|------------------------------|-------------------------|------------------------------------|---|---------------------------------------|---------------------------------|
| Mr. Sandeep Bansal | | | | | | |
| August 29, 1978 | Transfer | 140 | 100 | 100 | Cash | Shyam Lal Saraf |
| August 29, 1978 | Transfer | 70 | 100 | 100 | Cash | Shyam Lal Saraf |
| June 02, 1979 | Transfer | 250 | 100 | 100 | Cash | Shanti Lal Jain |
| October 15, 1984 | Transfer | 250 | 100 | 100 | Cash | Sushil Kumar Mittal |
| October 15, 1984 | Transfer | 260 | 100 | 100 | Cash | Sushil Kumar Mittal |
| July 26, 1985 | Transfer | 550 | 100 | 100 | Cash | Naresh Kumar Garg |
| August 22, 1986 | Transfer | 15 | 100 | 100 | Cash | Brij Nath Tayal |
| August 22, 1986 | Transfer | 60 | 100 | 100 | Cash | Brij Nath Tayal |
| August 22, 1986 | Transfer | 50 | 100 | 100 | Cash | Brij Nath Tayal |
| August 22, 1986 | Transfer | 50 | 100 | 100 | Cash | Brij Nath Tayal |
| March 28, 1988 | Allotment | 1,800 | 100 | 100 | Cash | N.A. |
| March 28, 1988 | Allotment | 1,700 | 100 | 100 | Cash | N.A. |
| August 12, 1988 | Allotment | 900 | 100 | 100 | Cash | N.A. |
| August 12, 1988 | Allotment | 950 | 100 | 100 | Cash | N.A. |
| May 31, 1989 | Allotment | 300 | 100 | 100 | Cash | N.A. |
| January 04, 1993 | Allotment | 700 | 100 | 100 | Cash | N.A. |
| March 31, 1995 | Allotment | 3,500 | 100 | 100 | Cash | N.A. |
| June 29, 1995 | Allotment | 3,000 | 100 | 100 | Cash | N.A. |
| May 30, 1998 | Allotment | 9,500 | 100 | 100 | Cash | N.A. |
| January 07, 2000 | Allotment | 2,000 | 100 | 100 | Cash | N.A. |
| January 27, 2000 | Transfer | 5,000 | 100 | 100 | Cash | N.A. |
| March 16, 2000 | Allotment | 6,000 | 100 | 100 | Cash | N.A. |
| July 24, 2000 | Allotment | 15,000 | 100 | 100 | Cash | N.A. |
| April 10, 2001 | Transfer | 500 | 100 | 100 | Cash | Atma Ram Bansal |
| April 10, 2001 | Transfer | 500 | 100 | 100 | Cash | Atma Ram Bansal |
| April 10, 2001 | Transfer | 500 | 100 | 100 | Cash | Atma Ram Bansal |
| April 10, 2001 | Transfer | 250 | 100 | 100 | Cash | Atma Ram Bansal |
| April 10, 2001 | Transfer | 500 | 100 | 100 | Cash | Atma Ram Bansal |
| April 10, 2001 | Transfer | 250 | 100 | 100 | Cash | Atma Ram Bansal |
| February 17, 2002 | Allotment | 4,500 | 100 | 100 | Cash | N.A. |
| February 17, 2002 | Allotment | 4,500 | 100 | 100 | Cash | N.A. |
| February 17, 2002 | Allotment | 4,000 | 100 | 100 | Cash | N.A. |

| | | | | | | |
|--------------------|---------------|------------------|-----|-----|-----------------|-------------------------|
| February 17, 2002 | Allotment | 2,800 | 100 | 100 | Cash | N.A. |
| March 14, 2003 | Transfer | 500 | 100 | 100 | Cash | Ramesh Chander Mittal |
| March 14, 2003 | Transfer | 500 | 100 | 100 | Cash | Ram Dulari Mittal |
| February 25, 2004 | Allotment | 1,000 | 100 | 100 | Cash | N.A. |
| March 31, 2005 | Transfer | 500 | 100 | 100 | Cash | Narbada Devi |
| March 31, 2005 | Transfer | 1,500 | 100 | 100 | Cash | Shanti Devi |
| March 31, 2005 | Transfer | 200 | 100 | 100 | Cash | Shanti Devi |
| March 31, 2005 | Transfer | 500 | 100 | 100 | Cash | Shanti Devi |
| March 31, 2005 | Allotment | 6,500 | 100 | 100 | Cash | N.A. |
| March 30, 2006 | Allotment | 1,000 | 100 | 100 | Cash | N.A. |
| January 31, 2008 | Allotment | 1,33,250 | 100 | 100 | Cash | N.A. |
| March 10, 2008 | Transfer | 500 | 100 | 100 | Cash | Sajan kumar Gupta |
| September 17, 2009 | Transfer | 800 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 250 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 250 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 250 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 450 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 250 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 300 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 800 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 1,000 | 100 | 100 | Cash | Murli Dhar |
| September 17, 2009 | Transfer | 750 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 800 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 800 | 100 | 100 | Cash | Om Prakash Aggarwal |
| September 17, 2009 | Transfer | 1,000 | 100 | 100 | Cash | Bhiku Ram Sons & HUF |
| September 17, 2009 | Transfer | 1,000 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 19, 2009 | Transfer | 500 | 100 | 100 | Cash | Tarsem kumar Gupta |
| September 19, 2009 | Transfer | 10,000 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| March 30, 2013 | Allotment | 3,500 | 100 | 690 | Cash | N.A. |
| March 27, 2015 | Allotment | 2,420 | 100 | 785 | Cash | N.A. |
| March 24, 2018 | Allotment | 7,000 | 100 | 926 | Cash | N.A. |
| July 14, 2018 | Transfer | 1,000 | 100 | 950 | Cash | O.P Aggarwal & Sons HUF |
| July 14, 2018 | Transfer | 2,000 | 100 | 950 | Cash | D.N. Bansal & Sons HUF |
| July 14, 2018 | Transfer | 5,050 | 100 | 926 | Cash | D.N. Bansal & Sons HUF |
| September 27, 2018 | Transfer | 9,800 | 100 | 930 | Cash | D.N. Bansal & Sons HUF |
| July 31, 2021 | Allotment | 62,894 | 100 | 795 | Other Than Cash | N.A. |
| | Total | 3,29,159 | | | | |
| March 10, 2022 | Sub- Division | - | 10 | - | N.A. | N.A. |
| | Total | 32,91,590 | | | | |
| March 31, 2022 | Allotment | 6,58,318 | 10 | 0 | Other Than Cash | N.A. |
| | Total | 39,49,908 | | | | |

| Mrs. Geeta Devi Aggarwal | | | | | | |
|---------------------------------|--------------|----------|-----|-----|-----------------|---------------------|
| March 30, 1974 | Allotment | 500 | 100 | 100 | Cash | N.A. |
| March 30, 1974 | Allotment | 200 | 100 | 100 | Cash | N.A. |
| March 30, 1974 | Allotment | 150 | 100 | 100 | Cash | N.A. |
| March 30, 1974 | Allotment | 50 | 100 | 100 | Cash | N.A. |
| August 20, 1974 | Allotment | 100 | 100 | 100 | Cash | N.A. |
| April 21, 1979 | Transfer | 400 | 100 | 100 | Cash | Swadesh Parshad |
| April 21, 1979 | Transfer | 400 | 100 | 100 | Cash | Swadesh Parshad |
| June 12, 1981 | Transfer | 500 | 100 | 100 | Cash | Gopal kishan Goyal |
| March 09, 1984 | Transfer | 500 | 100 | 100 | Cash | Sushil Kumar Mittal |
| March 09, 1984 | Transfer | 500 | 100 | 100 | Cash | Sushil kumar Mittal |
| March 28, 1988 | Allotment | 800 | 100 | 100 | Cash | N.A. |
| May 31, 1989 | Allotment | 400 | 100 | 100 | Cash | N.A. |
| September 29, 1993 | Allotment | 1,000 | 100 | 100 | Cash | N.A. |
| March 31, 1994 | Allotment | 3,000 | 100 | 100 | Cash | N.A. |
| March 31, 1995 | Allotment | 2,000 | 100 | 100 | Cash | N.A. |
| June 29, 1995 | Allotment | 3,000 | 100 | 100 | Cash | N.A. |
| March 16, 1998 | Allotment | 8,000 | 100 | 100 | Cash | N.A. |
| July 20, 2000 | Allotment | 9,000 | 100 | 100 | Cash | N.A. |
| February 25, 2004 | Allotment | 4,000 | 100 | 100 | Cash | N.A. |
| January 31, 2008 | Allotment | 1,03,750 | 100 | 100 | Cash | N.A. |
| March 10, 2008 | Transfer | 1,000 | 100 | 100 | Cash | N.A. |
| March 30, 2013 | Allotment | 9,700 | 100 | 690 | Cash | N.A. |
| March 27, 2015 | Allotment | 1,530 | 100 | 785 | Cash | N.A. |
| May 20, 2021 | Transmission | 60 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 250 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 90 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 100 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 50 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 200 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 200 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 150 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 100 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 250 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 200 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 400 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 100 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 150 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 100 | 100 | - | Other Than Cash | Devki Nandan Bansal |

| | | | | | | |
|-------------------|---------------|------------------|-----|-----|-----------------|--------------------------------------|
| May 20, 2021 | Transmission | 100 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 100 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 250 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 330 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 2,000 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 1,500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 2,000 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 1,000 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 9,500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 20,000 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 4,500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 4,500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 4,000 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 1,000 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 90,250 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 2,325 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 200 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 400 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 200 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 500 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 350 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 550 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 800 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 250 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 50 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 290 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 160 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 300 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| May 20, 2021 | Transmission | 250 | 100 | - | Other Than Cash | Devki Nandan Bansal |
| July 31, 2021 | Allotment | 3,14,466 | 100 | 795 | Other Than Cash | N.A. |
| December 24, 2021 | Transfer | 3,14,466 | 100 | - | Other Than Cash | Geeta Devi Aggarwal & Sandeep Bansal |
| | Total | 3,01,535 | | | | |
| March 10, 2022 | Sub- Division | - | 10 | - | N.A. | N.A. |
| | Total | 30,15,350 | | | | |
| March 31, 2022 | Allotment | 6,03,070 | 10 | 0 | Other Than Cash | N.A. |
| | Total | 36,18,420 | | | | |

| Mrs. Geeta Devi Aggarwal and Sandeep Bansal | | | | | | |
|--|---------------|------------------|-----|-----|-----------------|--------------------------|
| December 24, 2021 | Transfer | 3,14,466 | 100 | - | Other Than Cash | Geeta Devi Aggarwal |
| Total | | 3,14,466 | | | | |
| March 10, 2022 | Sub- Division | 31,44,660 | 10 | - | N.A. | N.A. |
| Total | | 31,44,660 | | | | |
| March 31, 2022 | Allotment | 6,28,932 | 10 | 0 | Other Than Cash | N.A. |
| Total | | 37,73,592 | | | | |
| Mrs. Anupama Bansal | | | | | | |
| March 29, 1997 | Allotment | 4,000 | 100 | 100 | Cash | N.A. |
| July 24, 2000 | Allotment | 4,000 | 100 | 100 | Cash | N.A. |
| July 31, 2000 | Allotment | 10,000 | 100 | 100 | Cash | N.A. |
| April 10, 2001 | Transfer | 250 | 100 | 100 | Cash | Rajinder Prasad Aggarwal |
| April 10, 2001 | Transfer | 250 | 100 | 100 | Cash | Rajinder Prasad Aggarwal |
| April 10, 2001 | Transfer | 500 | 100 | 100 | Cash | Rajinder Prasad Aggarwal |
| February 17, 2003 | Allotment | 1,800 | 100 | 100 | Cash | N.A. |
| March 31, 2006 | Allotment | 1,000 | 100 | 100 | Cash | N.A. |
| January 31, 2008 | Allotment | 71,500 | 100 | 100 | Cash | N.A. |
| March 31, 2008 | Allotment | 28,000 | 100 | 100 | Cash | N.A. |
| June 19, 2008 | Transfer | 300 | 100 | 100 | Cash | Radha Kishan Gupta |
| June 19, 2008 | Transfer | 250 | 100 | 100 | Cash | Radha Kishan Gupta |
| June 19, 2008 | Transfer | 200 | 100 | 100 | Cash | Radha Kishan Gupta |
| June 19, 2008 | Transfer | 200 | 100 | 100 | Cash | Radha Kishan Gupta |
| September 17, 2009 | Transfer | 200 | 100 | 100 | Cash | Anand Aggarwal |
| September 17, 2009 | Transfer | 11,000 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 1,000 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 4,500 | 100 | 100 | Cash | D.N. Bansal & Sons HUF |
| September 17, 2009 | Transfer | 1,000 | 100 | 100 | Cash | Goverdhan Dass Aggarwal |
| September 17, 2009 | Transfer | 400 | 100 | 100 | Cash | Goverdhan Dass Aggarwal |
| September 17, 2009 | Transfer | 350 | 100 | 100 | Cash | Pinki Bansal |
| September 17, 2009 | Transfer | 650 | 100 | 100 | Cash | Pinki Bansal |
| September 17, 2009 | Transfer | 350 | 100 | 100 | Cash | Renu Bansal |
| September 17, 2009 | Transfer | 650 | 100 | 100 | Cash | Renu Bansal |
| September 17, 2009 | Transfer | 250 | 100 | 100 | Cash | Chameli Devi Lohia |
| September 17, 2009 | Transfer | 250 | 100 | 100 | Cash | Chameli Devi Lohia |
| September 17, 2009 | Transfer | 300 | 100 | 100 | Cash | Chameli Devi Lohia |
| September 17, 2009 | Transfer | 200 | 100 | 100 | Cash | Chameli Devi Lohia |
| March 27, 2015 | Allotment | 3,180 | 100 | 785 | Cash | N.A. |
| Total | | 1,46,530 | | | | |
| March 10, 2022 | Sub- Division | | 10 | - | N.A. | N.A. |
| Total | | 14,65,300 | | | | |

| | | | | | | |
|----------------------------|---------------|------------------|-----|-----|-----------------|------|
| March 31,2022 | Allotment | 2,93,060 | 10 | 0 | Other Than Cash | N.A. |
| Total | | 17,58,360 | | | | |
| Mr. Shashwat Bansal | | | | | | |
| March 31, 2006 | Allotment | 50,000 | 100 | 100 | Cash | N.A. |
| Total | | 50,000 | | | | |
| March 10, 2022 | Sub- Division | | 10 | - | N.A. | N.A. |
| Total | | 5,00,000 | | | | |
| March 31,2022 | Allotment | 1,00,000 | 10 | 0 | Other Than Cash | N.A. |
| Total | | 6,00,000 | | | | |

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. The Equity Shares held by Mr. Sandeep Bansal and Mrs. Anupama Bansal, constituting 40% of paid up capital are under pledged.

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4. Our shareholding pattern

(a) The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

| Category Code | Category of shareholder | No. Of share holder | No. of fully paid up equity shares held | No. of Partly paid up equity share sheld | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form ⁰ |
|---------------|--------------------------------|---------------------|---|--|--|------------------------|---|---|---------|-----------------|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|---|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares held (B) | No. (a) | As a % of total shares held (B) | |
| | | | | | | | | Class X | Class Y | Total | | | | | | | | |
| I | II | III | IV | V | VI | VII= IV+V+VI | VIII | IX | | | | X | XI=VII+X | XII | | XIII | | XIV |
| (A) | Promoters and Promoter Group | 8 | 14987280 | - | - | 14987280 | 88.27% | 14987280 | - | 14987280 | 88.27% | - | - | - | - | - | - | 12489400* |
| (B) | Public | 7 | 1992180 | - | - | 1992180 | 11.73% | 1992180 | - | 1992180 | 11.73% | - | - | - | - | - | - | 1660150* |
| (C) | Non Promoter-Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 15 | 16979460 | - | - | 16979460 | 100% | 16979460 | - | 16979460 | 100% | - | - | - | - | - | - | 14149550* |

*The corporate action for Bonus Issue dated March 31, 2022 is pending.

**As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.

I. Shareholding Pattern of Promoters and Promoter Group

| # | Category & name of shareholder (I) | PAN (II) | No. of shares held (I II) | No. of fully paid up equity shares held (IV) | No. of Partly paid up equity shares held (V) | No. of Depository receipts (VI) | Total nos. shares held (VII) (IV)+(V)+(VI) | Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) (XI)=(VII)+(X) | Number of Shares locked in | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form (XIV) | |
|--|------------------------------------|----------|---------------------------|--|--|---------------------------------|---|---|--|-----------|-----------------|--|--|----------------------------|---------|--|---------|--|---------------------------------|
| | | | | | | | | | Class : X | Class : Y | Total | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | | | | | | | | | | | | |
| (I) | (II) | (I II) | (IV) | (V) | (VI) | (IV)+(V)+(VI) | (VIII) | (IX) | | | (X) | (XI)=(VII)+(X) | (XII) | (XIII) | (XIV) | | | | |
| (1) Indian | | | | | | | | | | | | | | | | | | | |
| (a) Individual/HUF | | | 5 | | | | | | | | | | | | | | | | |
| 1 Anupama Bansal | - | | 1 | 1758360 | - | - | 1758360 | 10.36 | 1758360 | - | 1758360 | 10.36 | - | 10.36 | - | - | - | - | 1465300* |
| 2 Geeta Devi Aggarwal | - | | 1 | 3618420 | - | - | 3618420 | 21.31 | 3618420 | - | 3618420 | 21.31 | - | 21.31 | - | - | - | - | 3015350* |
| 3 Geeta Devi Aggarwal & Sandeep Bansal | - | | 1 | 3773592 | - | - | 3773592 | 22.22 | 3773592 | - | 3773592 | 22.22 | - | 22.22 | - | - | - | - | 3144660* |
| 4 Sandeep Bansal | - | | 1 | 3949908 | - | - | 3949908 | 23.26 | 3949908 | - | 3949908 | 23.26 | - | 23.26 | - | - | - | - | 3291590* |
| 5 Shashwat Bansal | - | | 1 | 600000 | - | - | 600000 | 3.53 | 600000 | - | 600000 | 3.53 | - | 3.53 | - | - | - | - | 500000* |
| (b) Cen. Govt./ State Government(s) | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) Financial Institutions/Banks | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) Any other (Body Corporate) | - | | 3 | | | | | | | | | | | | | | | | |
| 1 GDA Finvest & Trade Pvt. Ltd. | - | | 1 | 807600 | - | - | 807600 | 4.76 | 807600 | - | 807600 | 4.76 | - | 4.76 | - | - | - | - | 673000* |
| 2 Media Ventures India Pvt. Ltd. | - | | 1 | 445800 | - | - | 445800 | 2.63 | 445800 | - | 445800 | 2.63 | - | 2.63 | - | - | - | - | 371500* |
| 3 S. K. Bansal & Sons | - | | 1 | 33600 | - | - | 33600 | 0.20 | 33600 | - | 33600 | 0.20 | - | 0.20 | - | - | - | - | 28000* |
| Sub- total (A) (1) | - | | 8 | 14987280 | - | - | 14987280 | 88.27 | 14987280 | - | 14987280 | 88.27 | - | 88.27 | - | - | - | - | 12489400* |
| (2) Foreign | | | | | | | | | | | | | | | | | | | |
| (a) Individual (NRI/ Foreign Individual) | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) Government | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) Institutions | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) Foreign Portfolio Investor | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) Any Other(specify) | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub- Total(A) (2) | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | |
|---|----------|----------------|----------|----------|-----------------|--------------|----------------|--|----------------|--------------|----------|--------------|----------|----------|----------|----------|------------------|
| Total Shareholding of Promoters and Promoter Group (A)=(A)(1)+(A)(2) | 8 | 1498728 | - | - | 14987280 | 88.27 | 1498728 | | 1498728 | 88.27 | - | 88.27 | - | - | - | - | 12489400* |
|---|----------|----------------|----------|----------|-----------------|--------------|----------------|--|----------------|--------------|----------|--------------|----------|----------|----------|----------|------------------|

**The corporate action for Bonus Issue dated March 31, 2022 is pending.*

II. Shareholding Pattern of the Public shareholder

| # | Category & name of shareholder | PAN | No. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held (VII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form | |
|-----|--|-------|---------------------|---|--|--|------------------------------|--|--|-----------|----------------|--|---|----------------------------|---------|--|---------|--|---------------------------------|
| | | | | | | | | | No. of Voting Rights | | | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (IV)+(V)+(VI) | (VIII) | (IX) | | | (X) | (XI)=(V II)+(X) | (XII) | (XIII) | (XIV) | | | | |
| (1) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (c) | Alternate Investment Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (e) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (f) | Financial Institutions/ Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (g) | Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (h) | Provident Funds/ Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (i) | Any other (specify) | - | 5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | a. Blue Stone Trade & Finance (P) Ltd. | - | 1 | 493080 | - | - | 493080 | 2.90 | 493080 | - | 493080 | 2.90 | - | - | - | - | - | - | 410900* |
| | b. Agarwal Assignments Pvt. Ltd. | - | 1 | 12000 | - | - | 12000 | 0.07 | 12000 | - | 12000 | 0.07 | - | - | - | - | - | - | 10000* |
| | c. Mindtree Info Solutions Pvt. Ltd. | - | 1 | 52860 | - | - | 52860 | 0.31 | 52860 | - | 52860 | 0.31 | - | - | - | - | - | - | 44050* |
| | d. Jhanjhari Holdings Pvt. Ltd. | - | 1 | 702000 | - | - | 702000 | 4.13 | 702000 | - | 702000 | 4.13 | - | - | - | - | - | - | 585000* |
| | e. Pushpanjali Investrade Pvt. Ltd. | - | 1 | 708000 | - | - | 708000 | 4.17 | 708000 | - | 708000 | 4.17 | - | - | - | - | - | - | 590000* |
| | Sub-Total (B)(1) | - | - | 1967940 | - | - | 1967940 | 11.59 | 1967940 | - | 1967940 | 11.59 | - | - | - | - | - | - | 1639950* |
| (2) | Central Government/State Government (s)/ President of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (3) | Non- Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Individuals- | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | i. Individual shareholders holding nominal share capital up to ₹. 2 lakh. | - | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | a. Naresh Kumar Bansal | - | 1 | 12240 | - | - | 12240 | 0.07 | 12240 | - | 12240 | 0.07 | - | - | - | - | - | - | 10200* |
| | b. Naresh Kumar Bansal HUF | - | 1 | 12000 | - | - | 12000 | 0.07 | 12000 | - | 12000 | 0.07 | - | - | - | - | - | - | 11000* |
| | ii. Individual shareholders holding nominal share capital in excess of ₹.2lakh | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | NBFCs registered with RBI | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(3) | - | - | 24240 | - | - | 24240 | 0.14 | 24240 | - | 24240 | 0.14 | - | - | - | - | - | - | - |
| | Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3) | - | 7 | 1992180 | - | - | 1992180 | 11.73 | 1992180 | - | 1992180 | 11.73 | - | - | - | - | - | - | - |

III. Shareholding pattern of the Non Promoter- Non Public shareholder

| # | Category & name of shareholder | P A N | No. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Under lying Outstanding convertible securities (including Warrants) | Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C 2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form |
|-----|--|-------|---------------------|---|--|--|------------------------|---|--|-----------|-------|-------------------------------------|---|---|----------------------------|---------------------------------|--|--|--|
| | | | | | | | | | No. of Voting Rights | | | Total as a % of Total Voting rights | | | No. (a) | As a % of total shares held (B) | No. (Not Applicable) | As a % of total shares held (Not Applicable) | |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII)= (IV)+(V) +(VI) | (VIII) | (IX) | | | | (X) | (XI)=(V II)+(X) | (XII) | | (XIII) | | (XIV) |
| (1) | Custodian /DR Holder | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Name of DR Holder (if applicable) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Non- Promoter – Non Public Shareholding (C)=(C)(1)+(C)(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

*The corporate action for Bonus Issue dated March 31, 2022 is pending.

Note:

- 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, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Accordingly, all the existing equity shares of the Company will be in dematerialized form at the time of listing of shares.
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE EMERGE before commencement of trading of such Equity Shares.

5. As on the date of this Draft Red Herring Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company.
6. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and public before and after the Issue:

| S. N. | Name of share holder | Pre issue | | Post issue | |
|----------------------------|--------------------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity Shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1 | Geeta Devi Aggarwal | 3618420 | 21.31% | 3618420 | 15.58% |
| 2 | Geeta Devi Aggarwal & Sandeep Bansal | 3773592 | 22.22% | 3773592 | 16.24% |
| 3 | Sandeep Bansal | 3949908 | 23.26% | 3949908 | 17.00% |
| 4 | Anupama Bansal | 1758360 | 10.36% | 1758360 | 7.57% |
| 5 | Shashwat Bansal | 600000 | 3.53% | 600000 | 2.58% |
| Total – A | | 13700280 | 80.69% | 11416900 | 58.97% |
| Promoter Group | | | | | |
| 6 | GDA Finvest & Trade Private Limited | 807600 | 4.76% | 807600 | 3.48% |
| 7 | Media Ventures India Private Limited | 445800 | 2.63% | 445800 | 1.92% |
| 8 | S. K. Bansal & Sons | 33600 | 0.20% | 33600 | 0.14% |
| Total – B | | 1287000 | 7.58% | 1072500 | 5.54% |
| Public | | | | | |
| 9 | Naresh Kumar Bansal | 12240 | 0.07% | 12240 | 0.05% |
| 10 | Naresh Kumar Bansal HUF | 12000 | 0.07% | 12000 | 0.05% |
| 11 | Blue Stone Trade & Finance (P) Ltd. | 493080 | 2.90% | 493080 | 2.12% |
| 12 | Agarwal Assignments Pvt. Ltd. | 12000 | 0.07% | 12000 | 0.05% |
| 13 | Mindtree Info Solutions Pvt. Ltd. | 52860 | 0.31% | 52860 | 0.23% |
| 14 | Jhanjhari Holdings Pvt. Ltd | 702000 | 4.13% | 702000 | 3.02% |
| 15 | Pushpanjali Investrade Pvt. Ltd | 708000 | 4.17% | 708000 | 3.05% |
| 16 | IPO | 0 | 0.00% | 6251200 | 26.91% |
| Total-C | | 1992180 | 11.73% | 8243380 | 35.48% |
| Grand Total (A+B+C) | | 16979460 | 100.00% | 23230660 | 100.00% |

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹.) |
|----------------------|--------------------|-------------------------------------|
| Geeta Devi Aggarwal* | 7392012 | 36.77 |
| Sandeep Bansal | 3949908 | 25.57 |
| Anupama Bansal | 1758360 | 9.57 |
| Shashwat Bansal | 600000 | 8.33 |

*The shares for the joint account of Mrs. Geeta Devi Aggarwal and Sandeep Bansal are considered to be held by Mrs. Geeta Devi Aggarwal for calculation cost of acquisition.

8. Details of Major Shareholders:

- (A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of this Draft Red Herring Prospectus:

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|---------|--------------------------------------|----------------------------|------------------------|
| 1 | Geeta Devi Aggarwal | 3618420 | 21.31 |
| 2 | Geeta Devi Aggarwal & Sandeep Bansal | 3773592 | 22.22 |
| 3 | Sandeep Bansal | 3949908 | 23.26 |
| 4 | Anupama Bansal | 1758360 | 10.36 |

| | | | |
|----|-------------------------------------|-----------------|--------------|
| 5 | Shashwat Bansal | 600000 | 3.53 |
| 6 | GDA Finvest & Trade Pvt. Ltd. | 807600 | 4.76 |
| 7 | Media Ventures India Pvt. Ltd. | 445800 | 2.63 |
| 8 | M/S Jhanjhari Holdings Pvt. Ltd | 702000 | 4.13 |
| 9 | M/s Pushpanjali Investrade Pvt. Ltd | 708000 | 4.17 |
| 10 | Blue Stone Trade & Finance (P) Ltd. | 493080 | 2.90 |
| | Total | 14047300 | 99.28 |

(B) *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date tendays prior to the date of the Draft Red Herring Prospectus:*

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|---------|--------------------------------------|----------------------------|------------------------|
| 1 | Geeta Devi Aggarwal | 3618420 | 21.31 |
| 2 | Geeta Devi Aggarwal & Sandeep Bansal | 3773592 | 22.22 |
| 3 | Sandeep Bansal | 3949908 | 23.26 |
| 4 | Anupama Bansal | 1758360 | 10.36 |
| 5 | Shashwat Bansal | 600000 | 3.53 |
| 6 | GDA Finvest & Trade Pvt. Ltd. | 807600 | 4.76 |
| 7 | Media Ventures India Pvt. Ltd. | 445800 | 2.63 |
| 8 | M/S Jhanjhari Holdings Pvt. Ltd | 702000 | 4.13 |
| 9 | M/s Pushpanjali Investrade Pvt. Ltd | 708000 | 4.17 |
| 10 | Blue Stone Trade & Finance (P) Ltd. | 493080 | 2.90 |
| | Total | 14047300 | 99.28 |

(C) *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus:*

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|---------|-------------------------------------|----------------------------|------------------------|
| 1 | Devaki Nandan Bansal | 151055 | 16.42 |
| 2 | Geeta Devi Aggarwal | 150480 | 16.35 |
| 3 | Sandeep Bansal | 266265 | 28.94 |
| 4 | Anupama Bansal | 146530 | 15.93 |
| 5 | Shashwat Bansal | 50000 | 5.43 |
| 6 | GDA Finvest & Trade Pvt. Ltd. | 67300 | 7.31 |
| 7 | Media Ventures India Pvt. Ltd. | 37150 | 4.04 |
| 8 | Blue Stone Trade & Finance (P) Ltd. | 41090 | 4.47 |
| | Total | 909870 | 98.89 |

(D) *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Draft Red Herring Prospectus:*

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|---------|--------------------------------|----------------------------|------------------------|
| 1 | Devaki Nandan Bansal | 151055 | 16.42 |
| 2 | Geeta Devi Aggarwal | 150480 | 16.35 |
| 3 | Sandeep Bansal | 266265 | 28.94 |
| 4 | Anupama Bansal | 146530 | 15.93 |
| 5 | Shashwat Bansal | 50000 | 5.43 |
| 6 | GDA Finvest & Trade Pvt. Ltd. | 67300 | 7.31 |
| 7 | Media Ventures India Pvt. Ltd. | 37150 | 4.04 |

| | | | |
|----------|-------------------------------------|---------------|--------------|
| 8 | Blue Stone Trade & Finance (P) Ltd. | 41090 | 4.47 |
| | Total | 909870 | 98.89 |

*The 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 Red Herring Prospectus.

** the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

9. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
10. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price, except as following:

Right Issue: Nil

Bonus issue: 28,29,910

| Sr. No. | Name of allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Geeta Devi Aggarwal | 603070 | 10 | - | March 31, 2022 | Bonus issue |
| 2. | Geeta Devi Aggarwal & Sandeep Bansal | 628932 | 10 | - | March 31, 2022 | Bonus issue |
| 2. | Sandeep Bansal | 658318 | 10 | - | March 31, 2022 | Bonus issue |
| 3. | Anupama Bansal | 293060 | 10 | - | March 31, 2022 | Bonus issue |
| 4. | Shashwat Bansal | 100000 | 10 | - | March 31, 2022 | Bonus issue |
| 5. | GDA Finvest | 134600 | 10 | - | March 31, 2022 | Bonus issue |
| 6. | Media Ventures | 74300 | 10 | - | March 31, 2022 | Bonus issue |
| 7. | S. K. Bansal & Sons | 5600 | 10 | - | March 31, 2022 | Bonus issue |
| 8. | Naresh Kumar Bansal | 2040 | 10 | - | March 31, 2022 | Bonus issue |
| 9. | Naresh Kumar Bansal HUF | 2000 | 10 | - | March 31, 2022 | Bonus issue |
| 10. | Blue Stone Trade & Finance (P) Ltd. | 82180 | 10 | - | March 31, 2022 | Bonus issue |
| 11. | Agarwal Assignments Pvt. Ltd. | 2000 | 10 | - | March 31, 2022 | Bonus issue |
| 12. | Mindtree Info Solutions Pvt. Ltd. | 8810 | 10 | - | March 31, 2022 | Bonus issue |
| 13. | Jhanjhari Holdings Pvt. Ltd | 117000 | 10 | - | March 31, 2022 | Bonus issue |
| 14. | Pushpanjali Investrade Pvt. Ltd | 118000 | 10 | - | March 31, 2022 | Bonus issue |

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 this Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
12. We have 15 (Fifteen) shareholders as on the date of filing of this Draft Red Herring Prospectus.
13. As on the date of this Draft Red Herring Prospectus, our Promoters and Promoters Group hold total 1,49,87,280 Equity Shares representing 64.57% of the pre-issue paid up share capital of our Company.
14. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus except following transmission:

| Sr. No. | Transfer date | From | To | No of Shares | FV of Equity Share |
|---------|---------------|-----------|---------------------|--------------|--------------------|
| 1 | 20-05-2021 | DN Bansal | Geeta Devi Aggarwal | 151055 | Rs 100/- |

15. The members of the Promoters' Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Draft Red Herring Prospectus.

16. Details of Promoter's Contribution locked in for three years:

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoters' Contribution and have 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 Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, *Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.*

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters' Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the EquityShares.

The details of the Equity Shares held by our Promoters, which are locked in for a period of three years from the date of Allotment in the Offer are given below:

| Name of Promoter | Date of Transaction and when made fully paid-up | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/ Acquisition Price per Equity Share (Rs.) | Percentage of post-Offer paid-up capital (%) | Lock in Period |
|--------------------------------------|---|-----------------------------------|----------------------|------------------|---|--|----------------|
| Geeta Devi Aggarwal & Sandeep Bansal | December 24, 2021 | Transfer from Geeta Devi Aggarwal | 3135850* | 10/- | 795/-** | 13.50 | 3 years |
| Geeta Devi Aggarwal | May 20, 2021 | Transmission | 1510550* | 10/- | Nil | 6.50 | 3 years |

* The no. of Equity Shares are taken after split of Equity shares.

**The Issue Price was Rs. 795/-, before taking effect of split of Equity shares.

The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters' contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoters' contribution of 20.00% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

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.

Equity Shares locked-in for one year

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters' contribution, the promoters and public shareholding pre-issue Equity Share capital of our Company, i.e. 1,23,33,060 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories. Some of the promoters' shareholding, other than minimum promoters' contribution is under pledge.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) 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.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, 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 has expired.

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:

- 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.
- 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.

17. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
18. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except the following:

| # | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|---------------------|------------------------|------------------|-------------------|-------------------|--------------------------------|---|
| 1. | Sandeep Bansal | 62894 | 100/- | 795/- | July 31, 2021 | Conversion of Loan into Equity | Increase in Equity and reduced burden of debt |
| 2. | Geeta Devi Aggarwal | 314466 | 100/- | 795/- | | | |
| Total | | | | | | | |

19. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
20. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
21. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
22. There are no safety net arrangements for this public Offer.
23. An oversubscription to the extent of 10% of the Net Offer can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment.
24. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
25. All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. There is no -Buyback, -Standby, or similar arrangement by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares issued / offered through this Draft Red Herring Prospectus.
28. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged

with any financial institutions or banks or any third party as security for repayment of loans.

29. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
30. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE.
31. The Issue is being made through Book Building Method.
32. Lead Manager to the Issue viz. Corporate Capital Ventures Private Limited and its associates do not hold any Equity Shares of our Company.
33. Our Company has not raised any bridge loan against the proceeds of this Issue.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
36. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this fixed subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
37. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
38. Our Promoters and the members of our Promoter Group will not participate in this Issue.
39. Our Company has not made any public issue since its incorporation.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
41. For the details of transactions by our Company with our Promoter Group, Group Companies during the last three Fiscals i.e. 2019, 2020 and 2021 & period ended on November 30, 2021 please refer to paragraph titled *-Related Party Transaction* in the chapter titled, *"Financial Information"* beginning on page number 159 of this Draft Red Herring Prospectus.

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 137.

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OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the EMERGE Platform of NSE.

The objects of the Issue are:-

1. To meet out the Working Capital requirements of the Company;
2. To meet out the General Corporate Purposes; and
3. To meet out the Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Fund Requirements

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

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

| S. N. | Particulars | Amount (In₹. Lakh) |
|-------|-----------------------------|--------------------|
| 1 | Working Capital Requirement | [•] |
| 2 | General Corporate Purposes | [•] |
| 3 | Issue Expenses* | [•] |
| | Total | [•] |

*As on [•] the Company has incurred a sum of [•] towards issue expenses.

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated 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 through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

Details of Utilization of Issue Proceeds

1. Working Capital Requirements:

(Rs. In Lakhs)

| Particulars | 2018-19 { Audited } | 2019-20 { Audited } | 2020-21 { Audited } | 2021-22 (till November) | 2022-23 (Projected) |
|--------------------------------------|------------------------|------------------------|------------------------|----------------------------|------------------------|
| Current Assets | | | | | |
| Current Investments | 0.00 | 0.00 | 0.00 | 0.00 | [•] |
| Inventories | 10080.97 | 9228.68 | 6938.25 | 6248.60 | [•] |
| Trade Receivables | 12881.36 | 12338.07 | 14835.54 | 14997.49 | [•] |
| Cash and Cash Equivalents | 793.62 | 866.71 | 687.08 | 734.87 | [•] |
| Short-term Loans and Advances | 2035.39 | 1523.78 | 1739.79 | 2005.09 | [•] |
| Other Current Assets | 1754.97 | 1583.58 | 1503.52 | 1309.01 | [•] |
| Total (A) | 27546.31 | 25540.82 | 25704.18 | 25295.06 | [•] |
| Current Liabilities | | | | | |
| Short Term Borrowings | 13512.19 | 13628.89 | 11827.13 | 9329.15 | [•] |
| Trade Payables | 4442.26 | 4727.89 | 4864.96 | 6443.73 | [•] |
| Other Current Liabilities | 971.00 | 1082.60 | 628.59 | 1199.06 | [•] |
| Short-term Provisions | 12.50 | 11.07 | 7.17 | 15.25 | [•] |
| Total (B) | 18937.95 | 19450.45 | 17327.85 | 16987.19 | [•] |
| Net Working Capital (A) - (B) | 8608.36 | 6090.37 | 8376.33 | 8307.87 | [•] |
| Sources of Working Capital | | | | | |
| Internal sources | | | | | [•] |
| Issue Proceeds | | | | | [•] |

Basis of Estimation

| Basis of Estimation | | | | |
|-----------------------------------|------------|------------|------------|------------|
| Particulars | 30.11.2021 | 31.03.2021 | 31.03.2020 | 31.03.2019 |
| No. of Days for Trade Payables | 74 | 55 | 41 | 36 |
| No. of Days for Trade Receivables | 107 | 104 | 69 | 65 |
| No. of Days for Inventory | 48 | 52 | 54 | 54 |

The total working capital requirements for the FY 2020-21 is estimated to be ₹. [•] Lakhs and for the FY 2021-22 is projected to be ₹. [•] Lakhs which will be met through mix of Internal Sources and the Net Proceeds.

2. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating ₹. [•] Lakh for General Corporate Purposes subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

3. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed ₹. [•] Lakh.

(Rs. In Lakh)

| # | Particulars | Amount (Rs. in Lakhs) |
|--------------|---|--------------------------|
| 1 | Lead manager(s) fees including underwriting commission. | [•] |
| 2 | Brokerage, selling commission and upload fees. | [•] |
| 3 | Registrars to the issue | [•] |
| 4 | Legal Advisors | [•] |
| 5 | Advertising and marketing expenses | [•] |
| 6 | Regulators including stock exchanges | [•] |
| 7 | Printing and distribution of issue stationary | [•] |
| 8 | Others, if any (to be specified). Advisor to Issue, Peer Review Auditor & Statutory Auditor & other misc. expenses | [•] |
| Total | | [•] |

MEANS OF FINANCE

The working capital requirements under our Objects will be met through the Net Proceeds to the extent of ₹. [•] Lakh and internal accruals as provided for below:

(Rs. in Lakh)

| Particulars | Amount Required | IPO Proceeds | Internal Accruals |
|---|--------------------|--------------|----------------------|
| Working Capital Requirements of the Company | [•] | [•] | [•] |

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION

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

(Rs. in Lakh)

| S. No. | Particulars | Amount to be funded from Net Proceeds | Estimated Utilisation of Net Proceeds (Financial Year 2022-23) |
|--------------|-----------------------------|--|--|
| 1 | Working Capital Requirement | [•] | [•] |
| 2 | General Corporate Purposes | [•] | [•] |
| 3 | Issue Expenses | [•] | [•] |
| Total | | [•] | [•] |

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

- ⁽¹⁾ Issue expenses excluding applicable taxes, where applicable. Issue expenses are estimates and are subject to change.
- ⁽²⁾ Includes Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non – Institutional Applicants, would be 0.15 % on the allotment amount on the application wherein shares are allotted.
- ⁽³⁾ Includes commission/Processing fees of ₹. 10 per valid application forms for SCSBs. In case the total processing fees payable to SCSBs exceeds ₹. 1 lakh, then the amount payable to SCSBs would be proportionately distributed based on the number of

valid applications such that the total Processing Fees payable does not exceed ₹. 1 lakh.

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated April 20, 2022 from **O. Aggarwal & Co.** Chartered Accountants. The certificate states that the Company has deployed amounts aggregating ₹. 7.5 Lakh. Details of the deployment of funds as on date of Draft Red Herring Prospectus, as per the certificate are as follows:

(Rs. in Lakh)

| Particulars | Total Funds required | Amount incurred till April 20, 2022 | Source of Fund | Balance deployment during FY 2022-23 |
|-----------------------------|----------------------|-------------------------------------|-------------------|--------------------------------------|
| Working Capital Requirement | [•] | [•] | - | [•] |
| General Corporate Purpose | [•] | [•] | - | [•] |
| Issue Expenses | [•] | 7.50 | Internal Accruals | [•] |
| Total | [•] | [•] | - | [•] |

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than ₹. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 150 and 137 of this Draft Red Herring Prospectus.

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BASIS FOR ISSUE PRICE

The Issue Price of ₹. [•] per Equity Share has been 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 ₹. 10/- and Issue Price is ₹. [•] per Equity Share.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- | | |
|--|----------------------------------|
| 1. <i>Company's core business</i> | 5. <i>Competitive Advantage</i> |
| 2. <i>Qualified & Experienced Team</i> | 6. <i>Corporate Governance</i> |
| 3. <i>Customers Base</i> | 7. <i>Industry Growth Trends</i> |
| 4. <i>Geographic exposure</i> | 8. <i>Wide Product Range</i> |

For further details, refer heading chapter titled "Our Business" beginning on page 102 of this Draft Red Herring 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 & Diluted Earnings Per Share (EPS):

| Period | Basic & Diluted EPS | Weight |
|------------------------------------|---------------------|---------------|
| Period ended on November 30, 2021* | 1.46 | 4 |
| 2020-21 | 1.37 | 3 |
| 2019-20 | (12.80) | 2 |
| 2018-19 | 4.33 | 1 |
| Weighted Average EPS | | (1.13) |

*Note

1. *November figures are not annualized*
2. *The face value of each Equity Shares is of Rs. 100/- as on November 30, 2022.*
3. *The number of Equity Shares are considered as on November 30, 2022. As on date of this Draft Red Herring Prospectus the number of Equity Shares are 16979460*

Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20-Earning per Share issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period 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 year.
- d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [•] per Equity Share of face value ₹.10/- each fully paid up.

| Particulars | P/E Ratio |
|--|-----------|
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2020-21 | [•] |
| P/E ratio based on the Weighted Average EPS, as restated | [•] |

Industry P/E

| | |
|----------------|--------------|
| Highest | 51.84 |
| Lowest | 0.00 |
| Average | 25.23 |

3. Return on Net Worth (RONW)

| Period | Return on Net Worth (%) | Weights |
|------------------------------------|-------------------------|---------------|
| Period ended on November 30, 2021* | 1.78 | 4 |
| 2020-21 | 1.83 | 3 |
| 2019-20 | (17.41) | 2 |
| 2018-19 | 4.99 | 1 |
| Weighted Average | | (0.88) |

*Note

1. November figures are not annualized

2. The NAV is calculated on the basis of face value of each Equity Shares of Rs. 100/-.

3. The number of Equity Shares are considered as on November 30, 2022. As on date of this Draft Red Herring Prospectus the number of Equity Shares are 16979460

Note:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated /Net worth as restated as at year end.
- 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
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus,excluding revaluation reserves and attributable to equity holders.

4. Net Asset Value per Equity Share

| Particulars | Net Asset Value (NAV) in ₹. |
|------------------------------------|-----------------------------|
| Period ended on November 30, 2021* | 8.73 |
| 2020-21 | 6.27 |
| 2019-20 | 6.15 |
| 2018-19 | 8.22 |
| NAV Post-Issue | [•] |
| Issue Price | [•] |

*Note

1. November figures are not annualized

2. The NAV is calculated on the basis of face value of each Equity Shares of Rs. 100/-.

3. The number of Equity Shares are considered as on November 30, 2022. As on date of this Draft Red Herring Prospectus the number of Equity Shares are 16979460.

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

NAV = Net worth excluding preference share capital and revaluation reserve/Outstanding number of Equity shares outstanding during the year or period

5. Comparison with industry peers

| # | Name of the company | Face Value (Per Share) | CMP | EPS (Rs) | P/E Ratio | RONW (%) | NAV (Rs. Per share) | PAT (Rs. In Crore) |
|--------------------|---------------------------------|------------------------|---------|----------|-----------|----------|---------------------|--------------------|
| 1 | Swastik Pipe Limited | 10.00 | [●] | 1.46 | [●] | 1.78 | 8.73 | 5.38 |
| Peer Group* | | | | | | | | |
| 2 | Rama Steel Tubes Limited | 5.00 | 434.55 | 6.52 | 23.17 | 12.38 | 52.67 | 5.38 |
| 3 | Hi-tech Pipes Limited | 10.00 | 604.00 | 20.85 | 28.88 | 8.65 | 15.36 | 22.80 |
| 4 | Hariom pipes Industries Limited | 10.00 | 218.95 | 10.64 | - | 21.38 | 49.79 | 15.13 |
| 5 | APL Apollo Tubes Limited | 2.00 | 1043.50 | 12.34 | 56.76 | 10.61 | 57.84 | 153.78 |

*Source: www.bseindia.com, and www.nseindia.com

Notes:

- Considering the nature and turnover of business of the Company the peer are not strictly comparable. However the same have been included for broader comparison.
- The figures for Swastik Pipe Limited are based on the restated results for the year ended November 30, 2021.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2021.
- Current Market Price (CMP) is the closing price of respective scrip as on April 20, 2022.

For further details see section titled —Risk Factors beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the section titled — Auditors Report and Financial Information of Our Company beginning on page 159 of this Draft Red Herring Prospectus for a more informed view.

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STATEMENT OF TAX BENEFITS

Independent Auditor's Report on Statement of Special Tax Benefits

To,
The Board of Directors,
Swastik Pipe Limited
Address: 2, Arihant Nagar, Punjabi Bagh (w), West Delhi-110026 India

Subject : Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements under Schedule VI-PART A, Clause (9) (L) of the SEBI (ICDR) Regulations, 2018, as amended (the "Regulations")

We hereby report that the enclosed annexure prepared by Swastik Pipe Limited, states the possible special tax benefits available to Swastik Pipe Limited ("the Company") and the shareholders of the Company under the Income Tax Act, 1961 ("Act"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of 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 the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 proposed initial public offering of equity shares ("the Offer") by the Company.

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

- i. Company or its shareholders will continue to obtain these benefits in future; or
- ii. The conditions prescribed for availing the benefits has been/ would be met with.

The contents of the enclosed statement 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. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, 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. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For O. Aggarwal & Co.
Chartered Accountants
(Firm Registration No.005755N)

OP Aggarwal

Partner

Membership No.: 083862

UDIN: 2208386AHGMLQ1226

Place: New Delhi

Date: March 13,2022

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ANNEXURE 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 Income Tax Act 1961 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 Act

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

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

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.

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SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. 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, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

GLOBAL OUTLOOK

It is two years into the COVID-19 pandemic and the global community still confronts extreme social and economic strain as the human toll rises and millions remain unemployed. Yet, even with high uncertainty about the path of the pandemic, a way out of this health and economic crisis is increasingly visible. Thanks to the ingenuity of the scientific community hundreds of millions of people are being vaccinated and this is expected to power recoveries in many countries later this year. Economies also continue to adapt to new ways of working despite reduced mobility, leading to a stronger-than-anticipated rebound across regions. Additional fiscal support in large economies, particularly the United States, has further improved the outlook.



The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. The ongoing retrenchment of China’s real estate sector and slower-than-expected recovery of private consumption also have limited growth prospects.

Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023. Although this is 0.2 percentage point higher than in the previous forecast, the upgrade largely

reflects a mechanical pickup after current drags on growth dissipate in the second half of 2022. The forecast is conditional on adverse health outcomes declining to low levels in most countries by end-2022, assuming vaccination rates improve worldwide and therapies become more effective.

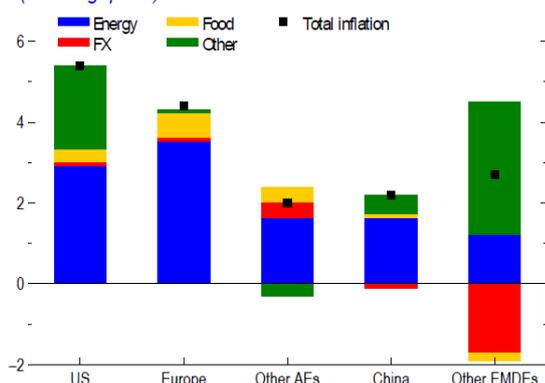
Elevated inflation is expected to persist for longer than envisioned in the October WEO, with ongoing supply chain disruptions and high energy prices continuing in 2022. Assuming inflation expectations stay well anchored, inflation should gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds.

Risks to the global baseline are tilted to the downside. The emergence of new COVID-19 variants could prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures mean uncertainty around inflation and policy paths is high. As advanced economies lift policy rates, risks to financial stability and emerging market and developing economies' capital flows, currencies, and fiscal positions—especially with debt levels having increased significantly in the past two years—may emerge. Other global risks may crystallize as geopolitical tensions remain high, and the ongoing climate emergency means that the probability of major natural disasters remains elevated.

With the pandemic continuing to maintain its grip, the emphasis on an effective global health strategy is more salient than ever. Worldwide access to vaccines, tests, and treatments is essential to reduce the risk of further dangerous COVID-19 variants. This requires increased production of supplies, as well as better in-country delivery systems and fairer international distribution. Monetary policy in many countries will need to continue on a tightening path to curb inflation pressures, while fiscal policy—operating with more limited space than earlier in the pandemic—will need to prioritize health and social spending while focusing support on the worst affected. In this context, international cooperation will be essential to preserve access to liquidity and expedite orderly debt restructurings where needed. Investing in climate policies remains imperative to reduce the risk of catastrophic climate change.

Downside surprises in the second half of 2021: Supply disruptions continued into the fourth quarter, hindering global manufacturing—especially in Europe and the United States. A resurgence in COVID cases (particularly in Europe) also held back a broader recovery. In China, disruptions from COVID outbreaks, interruptions to industrial production from power outages, declining real estate investment, and a faster-than-expected withdrawal of public investment all contributed to a second-half slowdown. Although there were signs of a global turnaround in November—with a pickup in international trade and upside surprises for services activity and industrial production data—this only partially offset earlier declines.

Figure 1. Change in Inflation, December 2020 — Latest
(Percentage points)



Sources: Haver Analytics; and IMF staff calculations.

Note: "Change in inflation" refers to the difference in year-over-year growth of the consumer price index between December 2020 and the latest available data. Stacked bars show the contribution of each component to that change. FX refers to short-term depreciation-induced inflation using estimates from Carrière-Swallow and others (2021). Sample includes countries for which all components are available. This covers 26 European countries, 2 other AEs, and 15 EMDEs. Purchasing-power-parity weights are used for aggregation. AEs = advanced economies; EMDEs = emerging market and developing economies; FX = import-weighted nominal effective exchange rate depreciation.

The pandemic's continued grip: Since the start of October, COVID-19 deaths have averaged about 7,000 a day worldwide, down from about 10,000 in late August. The diffusion of vaccines—although still uneven—has played a major role, with over 55 percent of people having received at least one dose. Yet the emergence of the Omicron variant in late November threatens to set back this tentative path to recovery. As of mid-January, Omicron appeared to be more transmissible than Delta, but its symptoms are perhaps less severe. The baseline forecast is conditioned on adverse health outcomes—severe illness, hospitalizations, and deaths—coming down to low levels in most countries by the end of 2022. This assumes that most countries achieve vaccination rates consistent with the [IMF's pandemic proposal 1](#) by end-2022, therapies become widely accessible, and the combination proves effective in protecting against Omicron and any other variants that emerge. Some emerging market and developing economies are anticipated to fall short of the vaccination target in 2022 and achieve sufficiently broad coverage only in 2023.

Global Growth Set to Moderate and Inflation to Persist Longer

Global growth is estimated at 5.9 percent in 2021 and is expected to moderate to 4.4 percent in 2022, half a percentage point lower than in the October 2021 *World Economic Outlook* (Table 1). The baseline incorporates anticipated effects of mobility restrictions, border closures, and health impacts from the spread of the Omicron variant. These vary by country depending on susceptibility of the population, the severity of mobility restrictions, the expected impact of infections on labor supply, and the importance of contact-intensive sectors. These impediments are expected to weigh on growth in the first quarter of 2022. The negative impact is expected to fade starting in the second quarter, assuming that the global surge in Omicron infections abates and the virus does not mutate into new variants that require further mobility restrictions. Forecasts are based on information up to 18 January 2022.

The 2022 forecast downgrade also reflects revisions among a few large emerging markets. In China, disruption in the housing sector has served as a prelude to a broader slowdown. With a strict zero-COVID strategy leading to recurrent mobility restrictions and deteriorating prospects for construction sector employment, private consumption is likely to be lower than anticipated. In combination with lower investment in real estate, this means that the growth forecast for 2022 is revised down relative to October by 0.8 percentage point, at 4.8 percent, with negative implications for trading partners' prospects.

The upward revision to global growth in 2023 is mostly mechanical. Eventually, the shocks dragging 2022 growth will dissipate and—as a result—global output in 2023 will grow a little faster. Among prominent revisions not due to the pandemic, India's prospects for 2023 are marked up on expected improvements to credit growth—and, subsequently, investment and consumption—building on better-than-anticipated performance of the financial sector. The upward revision to 2023 global growth is, however, not enough to make up ground lost due to the downgrade to 2022. Cumulative global growth over 2022 and 2023 is projected to be 0.3 percentage point lower than previously forecast.

| Latest World Economic Outlook Growth Projections | | | |
|---|----------|------|-------------|
| | ESTIMATE | | PROJECTIONS |
| (real GDP, annual percent change) | 2021 | 2022 | 2023 |
| World Output | 5.9 | 4.4 | 3.8 |
| Advanced Economies | 5.0 | 3.9 | 2.6 |
| United States | 5.6 | 4.0 | 2.6 |
| Euro Area | 5.2 | 3.9 | 2.5 |
| Germany | 2.7 | 3.8 | 2.5 |
| France | 6.7 | 3.5 | 1.8 |
| Italy | 6.2 | 3.8 | 2.2 |
| Spain | 4.9 | 5.8 | 3.8 |
| Japan | 1.6 | 3.3 | 1.8 |
| United Kingdom | 7.2 | 4.7 | 2.3 |
| Canada | 4.7 | 4.1 | 2.8 |
| Other Advanced Economies | 4.7 | 3.6 | 2.9 |
| Emerging Market and Developing Economies | 6.5 | 4.8 | 4.7 |
| Emerging and Developing Asia | 7.2 | 5.9 | 5.8 |
| China | 8.1 | 4.8 | 5.2 |
| India | 9.0 | 9.0 | 7.1 |
| ASEAN-5 | 3.1 | 5.6 | 6.0 |
| Emerging and Developing Europe | 6.5 | 3.5 | 2.9 |
| Russia | 4.5 | 2.8 | 2.1 |
| Latin America and the Caribbean | 6.8 | 2.4 | 2.6 |
| Brazil | 4.7 | 0.3 | 1.6 |
| Mexico | 5.3 | 2.8 | 2.7 |
| Middle East and Central Asia | 4.2 | 4.3 | 3.6 |
| Saudi Arabia | 2.9 | 4.8 | 2.8 |
| Sub-Saharan Africa | 4.0 | 3.7 | 4.0 |
| Nigeria | 3.0 | 2.7 | 2.7 |
| South Africa | 4.6 | 1.9 | 1.4 |
| Memorandum | | | |
| Emerging Market and Middle-Income Economies | 6.8 | 4.8 | 4.6 |
| Low-Income Developing Countries | 3.1 | 5.3 | 5.5 |

Source: IMF, *World Economic Outlook Update*, January 2022

Note: 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 percent in 2022 and 6.6 percent in 2023 based on calendar year. For India the impact of the Omicron variant is captured in the column for 2021 in the table.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022>)

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Inflation

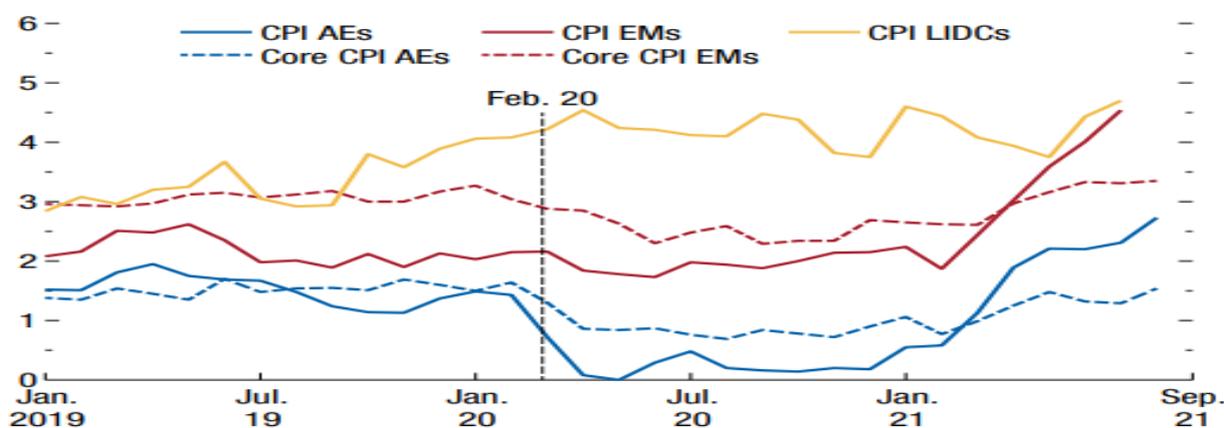
Inflation is expected to revert to pre-pandemic levels by mid-2022. The analysis indicates that headline inflation and medium-term inflation expectations are projected to revert to pre-pandemic levels by mid-2022. Although much uncertainty remains, particularly regarding measurement of output gaps, recovering demand is expected to have only a small impact on future inflation. The IMF staff’s baseline forecasts suggest that, for the advanced economy country group, on average, headline inflation will peak in the final months of 2021 and will decline to about 2 percent by mid-2022. Risks remain tilted slightly to the upside over the medium term. The outlook for emerging market and developing economies similarly shows headline inflation declining to about 4 percent after a peak of 6.8 percent later this year, with risks tilted to the upside over the medium term. A key feature of the outlook is the significant cross-country heterogeneity across advanced and emerging market and developing economies—and even within advanced economies. While the United States drives the strong inflation dynamics in advanced economies in the short term, with near-term risks tilted to the upside, underlying inflation dynamics in the euro area and Japan remain weak.

Inflation Dynamics:

Recent Drivers The framework employed here sheds light on three broad drivers of increases in headline inflation: (1) a pickup in economic activity or closing output gaps supported by accommodative fiscal and monetary policies, along with the release of pent-up demand and accumulated savings (Figure 2.2, panel 1); (2) rapidly rising commodity prices (Figure 2.2, panel 2); and (3) input shortages and supply chain disruptions (Figure 2.2, panel 3). Some have suggested that the fiscal expansion—unprecedented as it was, especially in advanced economies—may push unemployment low enough to cause overheating, possibly de-anchoring inflation expectations and resulting in a self-fulfilling inflation spiral (Blanchard 2021; Summers 2021). Others see a persistent surge in price pressures from a “one-time surge in spending” as unlikely (Powell 2021).

Figure 2.1. Consumer Price Inflation, by Country Group
(Median, year-over-year percent change)

Broad-based rise in headline inflation.



Sources: Haver Analytics; IMF, CPI database; and IMF staff calculations.
Note: The vertical line indicates February 2020. AEs = advanced economies;
CPI = consumer price index; EMs = emerging market economies;
LIDCs = low-income developing countries.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021>)

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INDIAN ECONOMY OVERVIEW

Since the 2000s, India has made remarkable progress in reducing absolute poverty. Between 2011 and 2015, more than 90 million people were lifted out of extreme poverty.

However, the COVID-19 pandemic led India's economy into a contraction of 7.3 percent in FY21, despite well-crafted fiscal and monetary policy support. Following the deadly 'second wave,' growth in FY22 is expected to be nearer to the lower bound of the range of 7.5 to 12.5 percent – still putting India among the fastest growing economies in the world. The pace of vaccination, which is increasing, will determine economic prospects this year and beyond. Successful implementation of agriculture and labor reforms would boost medium-term growth, while weakened household and corporate balance sheets may constrain it. The economic slowdown triggered by the outbreak is believed to have had a significant impact especially on poor and vulnerable households. Recent projections of GDP per capita growth, taking into account the impact of the pandemic, suggest that poverty rates in 2020 have likely reverted to estimated levels in 2016.

The informal sector, where the vast majority of India's labor force is employed, has been particularly affected. As in most countries, the pandemic has exacerbated vulnerabilities for traditionally excluded groups, such as youth, women, and migrants. Labor market indicators suggest that urban households are now more vulnerable to fall into poverty than they were before the onset of the pandemic.

The response of the government to the COVID-19 outbreak has been swift and comprehensive. A national lockdown to contain the health emergency was complemented by a comprehensive policy package to mitigate the impact on the poorest households (through various social protection measures) as well as on small and medium enterprises (through enhanced liquidity and financial support).

To build back better, it will be essential for India to stay focused on reducing inequality, even as it implements growth-oriented reforms to get the economy back on track. The World Bank is partnering with the government in this effort by helping strengthen policies, institutions, and investments to create a better future for the country and the people through green, resilient and inclusive development.

Indian Economic Outlook

After growing at very high rates for years, India's economy had already begun to slow down before the onset of the COVID-19 pandemic. Between FY17 and FY20, growth decelerated from 8.3 percent to 4.0 percent, with weaknesses in the financial sector compounded by a decline in the growth of private consumption. In FY21, the economy contracted by 7.3 percent.

In response to the COVID-19 shock, the government and the Reserve Bank of India took several monetary and fiscal policy measures to support vulnerable firms and households, expand service delivery (with increased spending on health and social protection) and cushion the impact of the crisis on the economy. Thanks in part to these proactive measures, the economy is expected to rebound - with a strong base effect materializing in FY22 - and growth is expected to stabilize at around 7 percent thereafter.

(Source: <https://www.worldbank.org/en/country/india/overview#1>)

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Introduction

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Market size

India's nominal gross domestic product (GDP) at current prices is estimated to be at ₹. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22.,

India is the third-largest unicorn base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey. By 2025, India is expected to have 100 unicorns, which will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached US\$ 634.287 billion mark.

Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 6.8 billion across 102 deals in November 2021 42% higher than November 2020.

Some of the important recent developments in Indian economy are as follows:

- ✓ India's merchandise exports between April 2021 and December 2021 were estimated at US\$ 299.74 billion (a 48.85% YoY increase). In December 2021, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.4.
- ✓ The gross GST (Goods and Services Tax) revenue collection stood at ₹. 1.38 trillion (US\$ 18.42 billion) in January 2022. This was a 15% rise over a year ago.
- ✓ According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 547.2 billion between April 2000 and June 2021.
- ✓ India's Index of Industrial Production (IIP) for November 2021 stood at 128.5 against 126.7 for November 2020.
- ✓ Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- ✓ Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21.
- ✓ Foreign portfolio investors (FPIs) invested ₹.50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- ✓ The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

Government Initiatives

Some of the recent initiatives and developments undertaken by the Government are listed below:

- ✓ By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- ✓ In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- ✓ In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.

- ✓ In August 2021, Prime Minister Mr. Narendra Modi launched digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- ✓ In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including ₹. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- ✓ In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- ✓ In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- ✓ In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- ✓ According to an official source, as of September 15, 2021, 52 companies have filed applications under the ₹. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- ✓ In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- ✓ In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- ✓ In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- ✓ India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- ✓ The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

Road Ahead

Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Mr. Piyush Goyal said that India will achieve exports worth US\$ 650 billion in the financial year 2021-22. India's electronic exports are expected to reach US\$ 300 billion by 2025-26 this will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus at 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates of July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated

to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

GLOBAL MARKET OVERVIEW

Steel is the world's most important engineering and construction material. It is used in every aspect of our lives; in cars and construction products, refrigerators and washing machines, cargo ships and surgical scalpels. It can be recycled over and over again without loss of property.

Iron is made by removing oxygen and other impurities from iron ore. When iron is combined with carbon, recycled steel and small amounts of other elements it becomes steel. Steel is an alloy of iron and carbon containing less than 2% carbon and 1% manganese and small amounts of silicon, phosphorus, sulphur and oxygen.

As populations grow and nations around the world seek to improve their standards of living, it is inevitable that the demand for steel will increase.

Steel is critical simply because no other material has the same unique combination of strength, formability and versatility. New generations of steel continue to be developed that make it possible for manufacturers and builders to implement durable, lightweight designs. Going forward, materials that are ever stronger and meet higher environmental standards will be needed.

Without being aware of it, society now depends on steel.

Humankind's future success in meeting challenges such as climate change, poverty, population growth, water distribution and energy limited by a lower carbon world depends on applications of steel.

STEEL MARKETS

1. AUTOMOTIVE

According to the International Organization of Motor Vehicle Manufacturers, 91.8 million vehicles were produced in 2019. On average, 900 kg of steel is used per vehicle.

The steel in a vehicle is distributed as follows, based on total vehicle curb mass:

- 40% is used in the body structure, panels, doors and trunk closures for high-strength and energy absorption in case of a crash
- 23% is in the drive train, consisting of cast iron for the engine block and machinable carbon steel for the wear resistant gears.
- 12% is in the suspension, using rolled high-strength steel strip.
- The remainder is found in the wheels, tyres, fuel tank, steering and breaking systems.

2. BUILDING AND INFRASTRUCTURE

Construction is one of the most important steel-using industries, accounting for more than 50% of world steel demand. Buildings – from houses to car-parks to schools and skyscrapers – rely on steel for their strength. Steel is also used on roofs and as cladding for exterior walls.

The world's population is expected to increase by 2 billion persons in the next 30 years, from 7.7 billion currently to 9.7 billion in 2050, according to a new United Nations report launched in 2019.

3. ENERGY

Steel is used in all areas of renewable energy:

Biomass: steel is used extensively in agriculture.

Solar: steel plays a key role in converting solar energy into electricity or hot water. It is used as a base for solar thermal-panels and in pumps, tanks and heat exchangers.

Wave and tidal: a steel pile is the main component of a tidal turbine in tidal energy systems. Steel is also used to fabricate wave energy devices. The steel used is formulated to withstand the challenges of the marine environment.

Hydroelectric: steel is needed to reinforce concrete dams.

Wind: steel is the main material used in onshore and off-shore wind turbines. Almost every component of a wind turbine is made of steel, from the foundation, to the tower, gears and casings (see Steel Solutions in the Green Economy: Wind turbines). Steel provides the strength for taller, more efficient wind turbines.

4. PACKAGING

Steel cans used for food conservation preserve high levels of nutrients and vitamins.

Contrary to popular belief, canned fruits and vegetables use no chemical preservatives but are conserved via high-pressure processing techniques that kill bacteria. As an ambient packaging medium, steel cans do not require cooling in the supply chain, simplifying logistics and storage and saving energy and cost. Steel packaging offers 100% barrier protection against light, water and air, and is the most tamper-resistant food packaging option available today. The majority of steel used in packaging is tinplate, which has been coated with a thin layer of tin, whose functionality is required for the production process. The tin layer is usually applied by electroplating.

5. TRANSPORTATION

Steel facilitates our mobility and the transport of goods. Whether in the form of bicycles, motorcycles, cars, buses, trains, ships or planes – or in the transport networks that support them – steel is essential to every mode of transport. Continuously reinforced concrete roadways are structurally supported by steel rebar and help to improve fuel efficiency for large vehicles.

6. TOOLS AND MACHINERY

Tools and machinery cover a wide range of equipment from small workshop tools to large factory-based robotic machinery and rolling mills. In 2017, tools and machinery represented approximately 15 % of global steel use. In construction, steel provides equipment such as cranes, drills, bulldozers, scaffolding and reusable and portable shelters used on construction sites. In agriculture, from basic hoes, shovels and forks, steel is there every step of the way, making agriculture easier and more efficient.

(Source: <https://worldsteel.org/steel-by-topic/steel-markets/>)

KEY COMPANIES & MARKET SHARE INSIGHTS

Due to the COVID-19 pandemic, vendors of the market are facing challenges as the demand for steel pipes and tubes continues to take a dip in FY 2020. The shutting down of production facilities is likely to further inflict the economic burden on industry participants. From a supply perspective, the overall crude steel production declined by nearly 6% (Y-o-Y) from March 2019 to March 2020, as per the data published by the World Steel Association in April 2020. Some of the prominent players in the steel pipes & tubes market include:

- ArcelorMittal
- United States Steel
- Nippon Steel Corporation
- Tata Steel
- Jindal Steel & Power Ltd. (JSPL)
- Rama Steel Tubes Limited
- Steel Authority of India Limited (SAIL)

Steel Pipes & Tubes Market Report Scope

| Report Attribute | Details |
|--------------------------------|---|
| Market size value in 2020 | USD 129.2 billion |
| Market volume in 2020 | 1,74,723.2 kilotons |
| Revenue forecast in 2027 | USD 231.1 billion |
| Volume forecast in 2027 | 2,65,731.4 kilotons |
| Growth Rate | CAGR of 6.2% from 2020 to 2027 (Revenue-based) |
| Base year for estimation | 2019 |
| Actual estimates/Historic data | 2016 - 2018 |
| Forecast period | 2020 - 2027 |
| Quantitative Units | Volume in kilotons, revenue in USD million, and CAGR from 2020 to 2027 |
| Report coverage | Volume and revenue forecast, company share, competitive landscape, growth factors, and trends |
| Segments covered | Technology, application, region |
| Regional scope | North America; Europe; Asia Pacific; Central & South America; Middle East & Africa |
| Country scope | The U.S.; Germany; Russia; Turkey; China; India; Brazil; Iran |
| Key companies profiled | ArcelorMittal; United States Steel; Nippon Steel Corp.; Tata Steel; Jindal Steel & Power Ltd. (JSPL); Rama Steel Tubes Ltd.; Steel Authority of India Ltd. (SAIL) |
| Customization scope | Free report customization (equivalent up to 8 analysts working days) with purchase. Addition or alteration to country, regional & segment scope. |
| Pricing and purchase options | Avail customized purchase options to meet your exact research needs. Explore purchase options |

INDIAN STEEL INDUSTRY

- The Indian steel industry has entered into a new development stage, post de-regulation, riding high on the resurgent economy and rising demand for steel.
- Rapid rise in production has resulted in India becoming the 2nd largest producer of crude steel during last three years (2018-2020), from its 3rd largest status in 2017. The country was also the largest producer of Sponge Iron or DRI in the world and the 2nd largest finished steel consumer in the world after China in 2020 (provisional), based on rankings released by the World Steel Association.
- In a de-regulated, liberalized economic/market scenario like India the Government's role is that of a facilitator which lays down the policy guidelines and establishes the institutional mechanism/structure for creating conducive environment for improving efficiency and performance of the steel sector.
- In this role, the Government has released the National Steel Policy 2017, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Government has also announced a policy for providing preference to domestically manufactured Iron & Steel products in Government procurement.

Imports

- Iron & steel are freely importable.
- Data on import of total finished steel (alloy/stainless + non alloy) is given below for last five years:

| Indian steel industry: Import of Total Finished Steel (in million tonnes) | | | | | |
|--|---------|---------|---------|---------|---------|
| Category | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Qty | 7.22 | 7.48 | 7.83 | 6.77 | 4.75 |

Exports

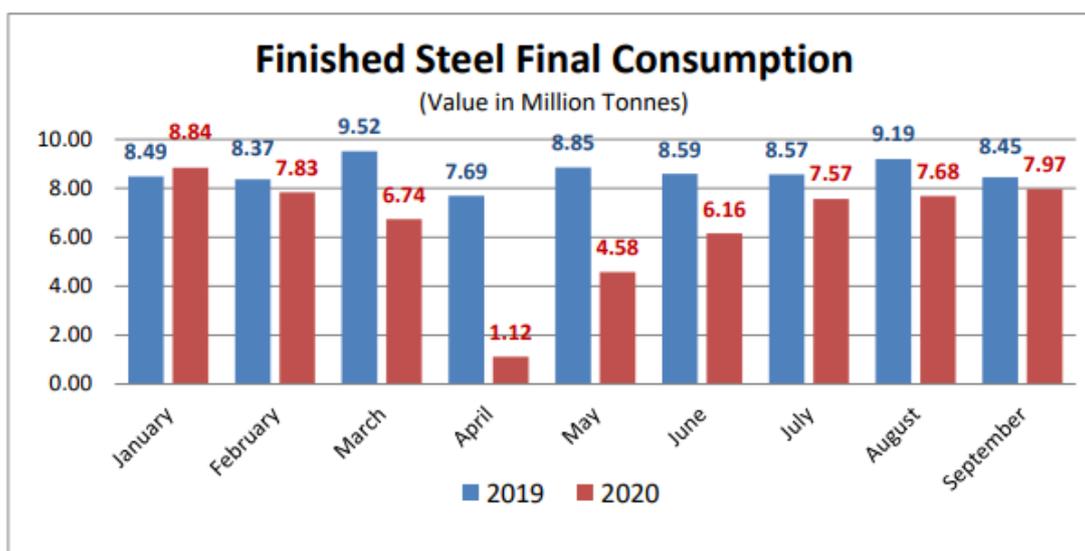
- Iron & steel are freely exportable.
- India emerged as a net exporter of total finished steel in 2016-17, 2017-18, 2019-20 and 2020-21.
- Data on export of total finished steel (alloy/stainless + non alloy) is given below for last five years:

| Indian steel industry: Export of Total Finished Steel (in million tonnes) | | | | | |
|--|---------|---------|---------|---------|---------|
| Category | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Qty | 8.24 | 9.62 | 6.36 | 8.36 | 10.78 |

(Source: <https://steel.gov.in/overview-steel-sector>)

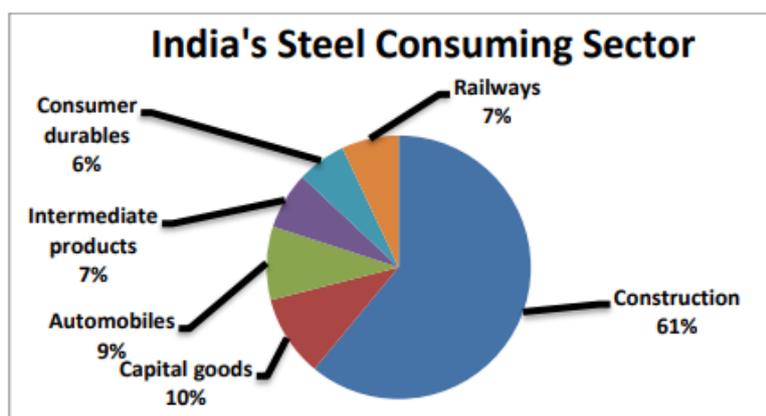
DEMAND OF STEEL POST COVID-19 PERIOD

The domestic finished steel consumption in India has shown sign of recovery in the past few months and has come close to pre-COVID levels largely due to an increase in demand from certain sectors. The Finished steel consumption in India increased from around 1 MT (Million Tonnes) from April, 2020 to 7.9 MT in September 2020 at a compounded monthly growth rate of around 48 percent. In line with the consumption, the crude steel production has also been improving, following a decline from 9 MT in 2019 to 3.1 MT in April 2020. Since then the production grew at a compounded monthly growth of 22 percent and reached to 8.6 MT in September 2020 and was down by just 2 percent Y-o-Y, supported by higher exports.



The demand for steel products in India broadly comes from six sectors, these sectors includes Construction, Automobile, Capital goods, Consumer Durables, Intermediate goods and Railways.

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1. **Construction sector:** The sector includes physical infrastructure (excluding railways) and real estate, and contributes roughly 61% of India's steel use or steel demand. The sector grew by around 3.4 percent in CY 2019. In CY 2020, the sector has been badly hit by the pandemic and is expected to decline by around 15 percent.
2. **Capital goods:** The sector contributes about 10 percent of steel demand. It has several sub-segments, of which machinery and equipment are the most prominent.
3. **Automobile sector:** The automotive sector contributes to around 9% of steel demand in India. India is the largest manufacturer of two wheelers, three wheelers and tractors, the fourth largest producer of passenger vehicles, and the seventh largest in commercial vehicles globally. Two-wheelers occupy a dominant position with around 80 percent market share and overall passenger vehicles compose 13 percent of the market.
4. **Intermediate products:** The sector contributes around 7 % of India's steel demand. This segment is closely linked to the auto sector as well as the oil and gas sector, besides industrial activity. The most prominent products under this sector include gear boxes, bearings, pipes, packaging materials like drums and barrels etc. Due to the country wide lockdown there has been weak automotive growth which has impacted their demand.
5. **Railways:** This sector, which contributes 7 % of steel demand, has been growing at a fast pace in pre COVID period. It grew by 13.4% and 32.7 % in CY 2018 and CY 2019 respectively. The sector is expected to see a positive growth from Q4 2020 onwards.
6. **Consumer Durable:** The consumer durables sector accounts for remaining 5 % of the steel use. The sector is mainly driven by segments like air-conditioners, refrigerators, furniture etc.

(Source: <https://indsteel.org/Industry-Insights1.php>)

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OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 16 for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 161, 191 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

Our Company was incorporated as a private limited company namely "Swastik Pipes Private Limited" under the Companies Act, vide certificate of incorporation dated October 10, 1973 issued by Registrar of Companies, NCT of Delhi & Haryana bearing registration no 006881. Further, Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 16, 2002 & name of our Company changed from Swastik Pipes Private Limited to Swastik Pipes Limited & Registrar of Companies, NCT of Delhi and Haryana has issued certificate of incorporation consequent upon conversion dated March 21, 2003 having CIN U74899DL1973PLC006881. Furthermore, the name of the company was changed from Swastik Pipes Limited to Swastik Pipe Limited and a fresh Certificate of Incorporation was issued dated April 3, 2013 by Registrar of Companies, NCT of Delhi & Haryana.

Swastik Pipe Limited is manufacturers and exporters of Mild Steel/Carbon Steel ERW Black and Galvanized Pipes, Hallow Steel Pipe, API Pipe, Stainless Steel Tubes, Cold rolled Steel (CR) Strips/ Coils, Swaged Type Tubular Poles, Solar Structure. Our Company use raw material of premium quality i.e. prime steel from SAIL - Steel Authority of India Limited, Tata Steel Limited and high purity zinc is being sourced from Hindustan Zinc Limited, which makes it comfortable to supply the quality material all over the world.

At present, we have highly sophisticated and technically competent plants are located at Bahadurgarh, Distt. Jharjjar, Haryana (Unit no.1) and at Kotwan, Kosi Kalan, Distt. Mathura, Uttar Pradesh (Unit No. 2) with an installed capacity, both units aggregating of 2,01,250 MT as on date of this Draft Red Herring Prospectus .

Swastik Pipe has diversified its Manufacturing activities towards production of Solar Module Mounting Structures, Transmission Towers, Steel Tubular Poles and Solar Poles Special Structure for Railways, Scaffolding and Formwork.

Swastik Pipe Ltd is one of the oldest manufacturer, exporter and supplier of steel pipes and tubes to various heavy engineering industries in India and abroad. Steel pipes and tubes can be used for many purposes such as steel pipes for frames and shafts, steel pipes for bicycle frames, steel pipes for furniture, cdw pipes for shockers, steel pipes for various structural purposes, steel pipes for various engineering purposes etc. We have a very wide range of steel pipes and tubes products. The lengths of the steel pipes & tubes range from 4m to 7m unless otherwise specified by the customers. We manufacture steel pipes and tubes in various shapes and size such square, round, rectangular and elliptical or any special shape.

Swastik Pipe Ltd brings the latest modern manufacturing technology. Automatic temperature control of voltage stabilizing and other electrical parameters so that no fluctuation of heat/voltage/current takes place irrespective of the speed/thickness, thereby yielding uniform bead inside the pipe and no friction loss. All pipes are subjected to all required physical and chemical tests before reaching to customer. The company has a well-maintained laboratory with provisions for offline testing at different stages of production.

Stringent Quality Control is exercised with latest facility right from the selection of raw material to the finished product. All tubes are subjected to extensive test including the hydraulic test, so that there is no leakages and before leaving, pipes passes through prescribed quality control process to ensure the best quality.

PLACE OF BUSINESS OF THE COMPANY

The Company is prominent exporter and supplier of steel pipes and tubes from our registered office and warehouses. Details of which are as following:

Note: For detailed information of above mentioned places of business please refer “Land & Properties” in section “Our Business” on page no. 102 of this Draft Red Herring Prospectus.

| Sr. No. | Particulars | Address |
|---------|-------------------|---|
| 1. | Registered Office | 2, Arihant Nagar, Punjabi Bagh (W), West Delhi 110026 India. |
| 2. | Plant | 41 KM, Delhi Rohtak Road, Asaudh, Bahadurgarh, Dist-Jhajjar, Haryana-124507 |
| 3. | Plant | 97, Milestone, NH-2, Delhi Mathura Road, Kosi Mathura, Kosi Kalan, Uttar Pradesh-281403 |

Note: There is no other place where we operate our business other than mentioned above.

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OUR PRODUCTS

ERW Black/Galvanized Steel Pipes & Tubes
API Pipe
ERW Section Pipe (Round Hollow Sections & Square Hollow Sections)
Swaged Typed Tubular Poles
Cold Rolled Steel (CR) Strips/Sheets
Stainless Steel Tubes
Mild Steel Wires (Black & Galvanized)
Steel Fabrication (as per customer drawing/spec.)
Precision Pipes and Tubes
Solar Structure



INFRASTRUCTURE

We have a state-of-the-art infrastructure with complete facilities for production and shipment of finished goods. At our in-house production unit, all work from designing to finalization is done. With latest plant and installed machinery, our set-up enables us to undertake bulk production operation very efficiently. Moreover, we have a highly committed and motivated workforce dedicated to achieve complete customer satisfaction. Swastik Pipe Ltd has its manufacturing plant at Bahadurgarh in Haryana (Unit-1) and at Kotwan, Kosi Kalan, Distt. Mathura in Uttar Pradesh (Unit-2).

Equipped with all the latest machines and sophisticated testing equipments, we are capable of producing products, which can fulfill different requirements of our clients.



We have sophisticated machines and technology to produce Mild Steel/Carbon Steel ERW Black and Galvanized Pipes, Hollow Steel Pipe, API Pipe, Stainless Steel Tubes, Cold rolled Steel (CR) Strips/ Coils, Swaged Type Tubular Poles, Solar Structure products in desired specifications and finishes. These lines are supported with on line tension leveling, trimming lines and skin pass mills, to take care of special requirements of customers in terms of coating mass, width, thickness etc.

The company has the capacity to produce 2,01,250 MT of finished goods annually. Modernization of the manufacturing facilities, stress on technological innovation and training of employees at all levels is a continuous process at Swastik Pipes Limited. Our research professionals constantly perform research and development operations, which leads us to introduce product innovation and produce pipes with enhanced durability, higher efficiency and low maintenance.

SOLAR MOUNTING STRUCTURES

Solar power production is the latest growing industry in India considering the demand for new resources of energy increasing with the growing population, Swastik Pipe Ltd is now actively engaged Manufacturing & Supply Solar Mounting Structures. All products are thoroughly inspected for quality check during every step of production as per specifications & approved drawings.

Being the largest cold roll formed steel section manufacturers in India, Swastik Pipe Ltd has supplied mounting structures and structural components to various solar plants totaling more than 250 MW.

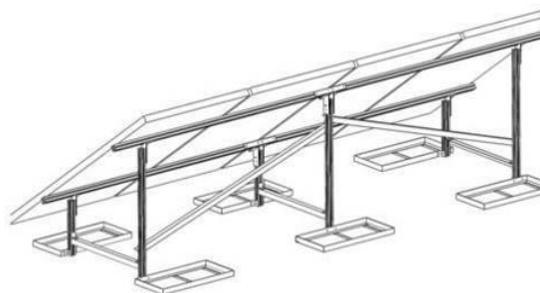
Our integrated state-of the-art plant at Bahadurgarh (Haryana) is well equipped with latest plant and machinery with galvanizing and laboratory facilities and Cold Rolled forming machines producing products as per national and international standards. The size range is continuously being extended to meet the growing needs of the customers.

Main Products:

- Ground Mounting Structures
- Roof Mounting Structures
- Structures as per customer requirement

Available in following variations:

- Fixed type mounting structures
- Seasonal tilt -controlled module mounting
- structures Single axis daily tracking structures



Finish of fabricated Structure:

- Hot-Dip Galvanized
- Pre-galvanized (GP Sheet)

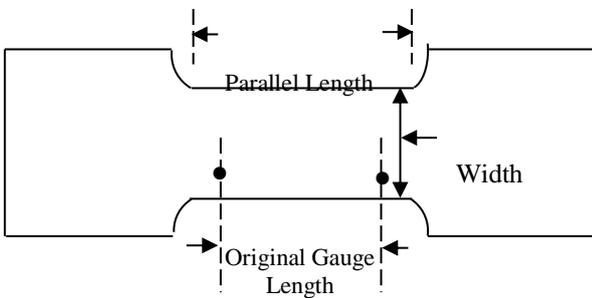
QUALITY

Testing and Quality Control Facilities

Besides the numerous quality assurance measures during the manufacturing process and at various inspection points, the following facilities are available for ensuring stringent quality standards.

Continuous welding is carried out by a high frequency induction out by a high frequency induction welding machine, and the steam is formed by fusing the edges without filler metal. The weld bead reinforcement (inside, if needed is removed) and the welded pipes, after cooling, are cut in appropriate length after attaining its roundness and specified outer diameter.

The pipes, after straightening, are conveyed to the finishing bay for finishing, testing and inspection. Some of these pipes are subsequently galvanized and threaded.

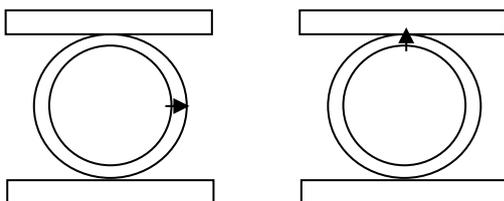
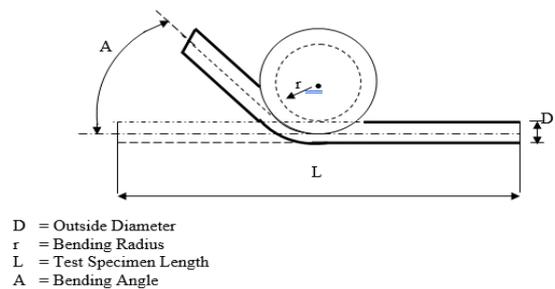


TENSILE STRENGTH

This test is applied for testing yield of the product and its strength, and percentage of elongation.

BEND TEST

This tests the ductility and soundness of a material.

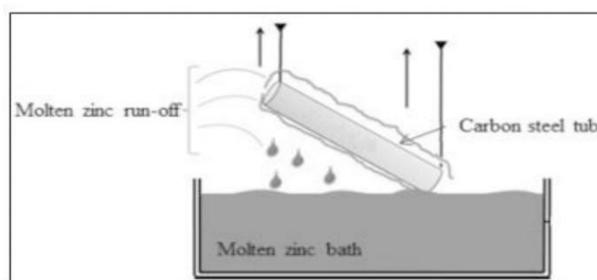
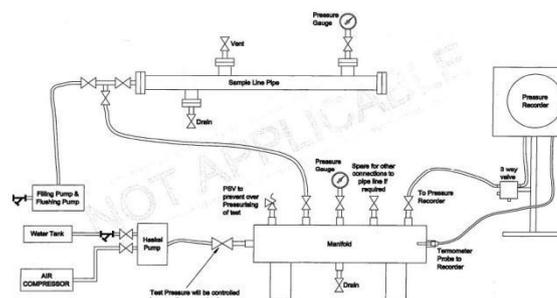


FLATTENING TEST

It is conducted by subjecting rings from the tube or pipe to a prescribed degree of flattening between two parallel platens.

HYDRO STATIC TEST (LEAK TIGHTNESS TEST)

It is the primary method used to test for leaks or breakage of the pipe.



HOT DIP GALVANIZING

Hot dip galvanizing is used as a very effective steel corrosion protection method, providing a long service-life. The corrosion protection is dependent on the coating thickness and environmental conditions

CERTIFICATIONS

Our company is known for best quality steel pipes and cold rolled strips.

We have been certified by **GERMAN CERT**, Quality Management System, **ISO 9001:2015** and recognised by Ministry of Commerce & Industry as One Star Export House.

| S. No. | Particulars of Certifications | Certificate/License No. | Initial Certificate Date | Validity End Date |
|--------|---|---------------------------------|--------------------------|-------------------|
| 1 | Certificate of Factory Production Control | 10000395859-PA-DNV GL-IND Rev 0 | 11/09/2017 | 10/09/2023 |
| 2 | ISO 9001:2015 | IC-QM-1906120 | 30/06/2021 | 30/06/2023 |
| 3 | Bureau of Indian Standards | 9333577 | 23/05/2002 | 31/10/2022 |
| 4 | Bureau of Indian Standards | 9325376 | 01/04/2002 | 31/10/2022 |
| 5 | Bureau of Indian Standards | 9608287 | 28/06/2007 | 31/10/2022 |
| 6 | Bureau of Indian Standards | 9538292 | 09/08/2006 | 31/10/2022 |
| 7 | Bureau of Indian Standards | 9320972 | 27/02/2002 | 31/10/2022 |
| 8 | Bureau of Indian Standards | 9333476 | 21/05/2002 | 31/10/2022 |
| 9 | Bureau of Indian Standards | 9446489 | 15/10/2004 | 31/10/2022 |
| 10 | UL standard in safety | 20140217- EX 15327 | 17/02/2014 | NA |
| 11 | Haryana State Pollution Control Board | 313104521JHACTO14938828 | 01/10/2021 | 30/09/2023 |

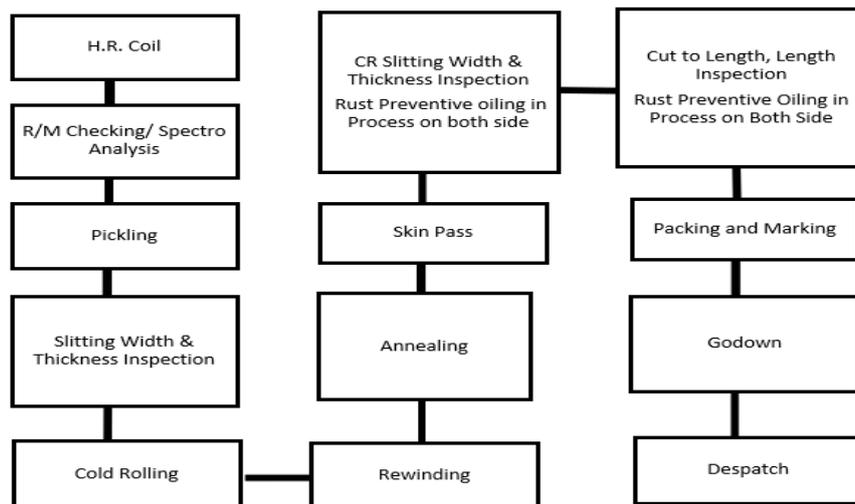
| | | | | |
|----|--|----------------|------------|------------|
| 12 | Renewal of Factory License | RTK/S-87/13672 | 01/01/2021 | 31/12/2022 |
| 13 | Bureau of Indian Standards | 693865 | 31/07/2021 | 31/07/2022 |
| 14 | Registration & License to work a Factory | UPFA15000087 | 05/01/2009 | 31/12/2023 |
| 15 | Factory License | RTK/S-87/13672 | 29/10/1973 | 31/12/2022 |

MANUFACTURING PROCESS:

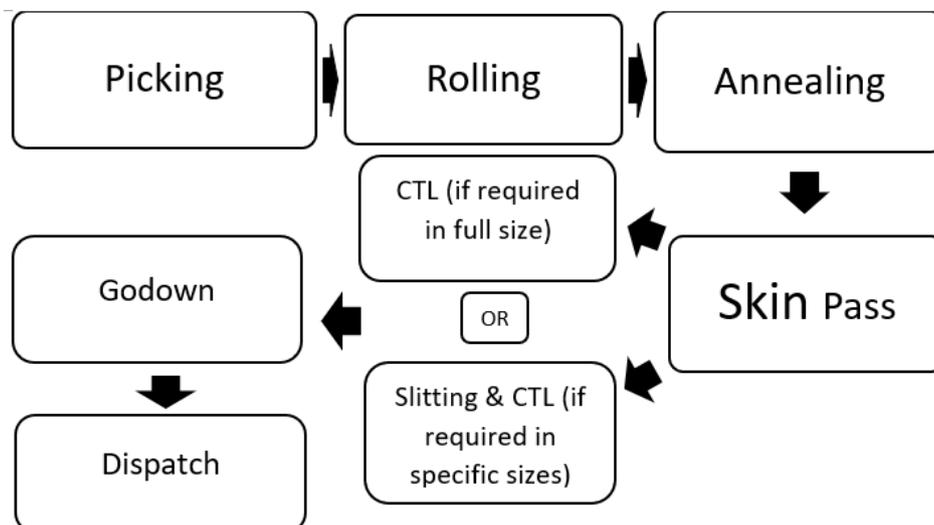
Swastik Pipe Ltd is one of the oldest manufacturer and supplier of steel pipes and tubes to various heavy engineering industries in India and abroad. Steel pipes and tubes can be used for many purposes such as steel pipes for frames and shafts, steel pipes for bicycle frames, steel pipes for furnitures, cdw pipes for shockers, steel pipes for various structural purposes, steel pipes for various engineering purposes etc. We have a very wide range of steel pipes and tubes products.

Swastik Pipe Ltd brings the latest modern manufacturing technology. Automatic temperature control of voltage stabilizing and other electrical parameters so that no fluctuation of heat/voltage/current takes place irrespective of the speed/thickness, thereby yielding uniform bead inside the pipe and no friction loss. All pipes are subjected to all required physical and chemical tests before reaching to customer. The company has a well-maintained laboratory with provisions for offline testing at different stages of production.

1. CR PIPES & TUBES



3. CR SHEETS



PLANT & MACHINERY

To maintain quality of our product, we have installed quality machinery at our plants. We have a range of hydraulic and electric motion control products, from high-performance servo-valves to machine controllers, able to provide high precision and productivity in the most extreme operating temperatures.

We have installed following machinery at our Plant situated at Bahadurgarh, Haryana.

| Sr. No. | Name | Capacity/Range |
|---------|---|--|
| 1 | COLD ROLLING MILL CRM-1 CRM-2 CRM-3 | 1250 MM 650 MM 650 MM |
| 2 | ANNEALING FURNACE Annealing Furnace Annealing Furnace Annealing Furnace Annealing Furnace Annealing Furnace | 32 MT 25,32 & 60 MT 50,50 MT 50,50 MT 50,50 MT |
| 3 | SKIN PASS Skin Pass-01 Skin Pass- 02 | 650 MM 1250 MM |
| 4 | C R SLITTING CR Slitting -01 CR Slitting -02 CR Slitting -03 CR Slitting -04 HR /CR Slitting -05 | 1250 MM 650 MM 650 MM 850 MM 1600 MM |
| 5 | CR CTL CR CTL-01 Wider CR CTL-02 CR CTL-03 CR CTL-04 CR CTL-05 | 850 MM 650 MM 650 MM 1250 MM 1600 MM |
| 6 | NITROGEN PLANT Nitrogen Plant-01 Nitrogen Plant-01 | 30 NM3 60 NM3 |
| 7 | GRINDING MACHINE Grinding Machine- 01 Grinding Machine- 02 Grinding Machine- 03 | 1200 MM * 4.00 MTR LONG 1200 MM * 5.00 MTR LONG 400 MM * 3.00 MTR LONG |
| 8 | MAT MACHINE Mat Machine Shot Blasting | 1250 MM 1250 MM |

| | | |
|----|--|--|
| 9 | PICKLING LINE Pickling Line-01 | 1700 MM |
| 10 | E.O.T. CRANES E.O.T.-10 E.O.T.-10 E.O.T.-10 E.O.T.-35 E.O.T.-35 E.O.T.-35 E.O.T.-35 E.O.T.-35 E.O.T.-35 Pickling | 10 M.T. 10 M.T. 10 M.T. 35 M.T. 35 M.T. 35 M.T. 35 M.T. 35 M.T. 35 M.T. |
| 11 | WORK SHOP Lathe Machine 16' Lathe Machine 12' Lathe Machine 10' Lathe Machine 8' Lathe Machine 8' Lathe Machine 6' Lathe Machine 6' Lathe Machine 6' Lathe Machine 6' Lathe Machine 30" Stroke Shaper Machine 14" Stroke Shaper Machine 18" Stroke Shaper Machine 18" Stroke Pillar type drilling Machine Vertical Milling Machine FN2 | 16' 12' 10' 8' 8' 6' 6' 6' 6' 30" Stroke 14" Stroke 18" Stroke 18" Stroke 1*1/2" Cap |
| 12 | Welding Set (Mig Welding) 400 AMP Welding Set 50 AMP Welding Set 50 AMP Gas Cutter Gas Cutter Gas Cutter Gas Cutter Surface Plate Table Vice 6" Table Vice 8" INDTOOLS-ITL-260 DCTV Power Hacksaw 8"-10" Hyd. Hand Press 100 M.T. | 400 AMP 400 AMP 400 AMP 400 AMP 12 MM 50 AMP 6" 6" 8" ½"-8" 8"-10" 100 M.T. |
| 13 | SLITTING LINE Slitting Line-1750 Slitting Line-450 Slitting Line-1550 | 200-1750 MM 50- 450 MM 200- 1550 MM |
| 14 | TUBE MILL | |

| | | |
|----|---|---------------------------------|
| | Tube Mill PTM-1 | 15-50 MM |
| 15 | PRECISION TUBE MILL Precision Tube Mill PTM-1 Precision Tube Mill PTM-2 | 22.23-76.2 MM 15.88-38.10 MM |
| 16 | END FACING MACHINE End Facing End Facing | 15-50 MM 15-50 MM |
| 17 | CTL MACHINES Cobra Saw Tube Cutting Machine Cobra Saw Tube Cutting Machine Semiauto Tube Cutting Machine Semiauto Tube Cutting Machine Burr Removing Machine(Burr Master) Burr Removing Machine(Burr Master) Burr Removing Machine(Burr Master) | |
| 18 | E.O.T. CRANE E.O.T.- 10(PTM) E.O.T.-05 (PTM) | 10 M.T. 05 M.T. |
| 19 | Deburring Machine Deburring Machine Dimensions-2500 *1200*2000 MM | 2500*1200*2000 MM |
| 20 | Optical Emission Spectrometer | Chemical Analysis |
| 21 | Weighbridge | 100MT |
| 22 | Cold Bend Testing Machine | 15mm - 50mm |
| 23 | Universal Testing Machine | 100 KN |
| 24 | Rockwell Hardness Tester | 0-90 RB 0.90 RC |
| 25 | Deep Freezer | -5°c - 80°c |
| 26 | Drift Expansion Testing Machine | 0 – 50 T |

We have installed following machinery at our Plant situated at Kosi Kalan, Mathura, Uttar Pradesh.

| Sr. No. | Names | Capacity/ Range |
|---------|--|-----------------|
| 1 | Slitting Line-1800 | 200-1800MM |
| 2 | Slitting Line-1650 | 300-1650MM |
| 3 | Slitting Line-450 | 50-450MM |
| 4 | Slitting Line-240 | 50-240MM |
| 5 | Tube Mill TM-50(With ERW Plant capacity 250KW) | 15-50MM |
| 6 | Tube Mill TM-50(With ERW Plant capacity 250KW) | 15-50MM |
| 7 | Tube Mill TM-80(With ERW Plant capacity 200KW) | 32-80MM |
| 8 | Tube Mill TM- 250(With ERW Plant capacity 250KW) | 80-250MM |
| 9 | Tube Mill TM- 175(With ERW Plant capacity 250KW) | 65-175MM |
| 10 | Seam Normalizer (Capacity 500KW) | 80-250MM |
| 11 | Eddy Current M/c (Technofour) | 80-250MM |
| 12 | Hydro Testing Machine-2 | 15-50MM |
| 13 | Hydro Testing Machine-3 | 65-250MM |

| | | |
|----|----------------------------|---------------------------------------|
| 14 | E.O.T Cranes | 5-30MT |
| 15 | End Facing Machine-2 | 25-250MM |
| 16 | Galvanizing Plant GI-1 | 15-250MM, Structures & Pole |
| 17 | Galvanizing Plant GI-2 | 20-250 MM, Structures & Pole |
| 18 | ETP Plant | 10000 Ltr/day (Water, Acid Treatment) |
| 19 | Threading Machine-3 | 15-150MM |
| 20 | Fabricated Structure Plant | Different Type Structures and Pole |
| 21 | Weigbridge-2 | 60-100MT |

COLLABORATIONS

We have not entered into any technical or other collaboration.

RAW MATERIAL

The basic raw material required is steel which is sourced in India from Steel Authority of India Limited and TATA Steel Limited, In addition, the Company imports its raw from Young Poong Corporation & Sorin Corporation, South Korea and HEBEI AIS Machinery Trading Co. Ltd., China and Mitsui & Co. Ltd., Japan etc.

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently we have 362 full time employees as on January 31, 2022. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

DEPARTMENT WISE BREAK-UP

| S. No. | Particulars | No. of Employees at H.O. | No. of Employees At Bahadurgarh | No. of Employees at Kosi |
|--------|-----------------------------------|--------------------------|---------------------------------|--------------------------|
| 1. | Finance & Accounts | 6 | 2 | 3 |
| 2. | Sales & Marketing | 12 | 1 | 0 |
| 3. | Administration | 4 | 2 | 0 |
| 4. | Compliance and Secretarial | 1 | 0 | 0 |
| 5. | Production and Store | 0 | 206 | 111 |
| 6. | Purchase | 3 | 0 | 0 |
| 7. | Assistance | 1 | 0 | 0 |
| 8. | Human Resource | 0 | 0 | 1 |
| 9. | Logistics | 0 | 2 | 0 |
| 10. | Others | 7 | 0 | 0 |
| | TOTAL | 34 | 213 | 115 |

FINANCIAL ACHIEVEMENTS OF THE COMPANY

| Particulars | For the period ended 31 st November, 2021 | For the period ended 31 st March, 2021 | For the period ended 31 st March, 2020 | For the period ended 31 st March, 2019 |
|--------------------|--|---|---|---|
| Share Capital | 1,297.46 | 920.10 | 920.10 | 920.10 |
| Reserves & Surplus | 10,034.26 | 7,209.42 | 7,060.78 | 8,450.03 |
| Net Worth | 11,331.72 | 8,129.51 | 7,980.87 | 9,370.13 |
| Total Income | 38,601.64 | 52,384.80 | 65,807.21 | 72,756.38 |
| PAT | 202.19 | 148.64 | (1,389.25) | 467.97 |

CAPACITY UTILISATION

As per the Cost Audit Reports, the product-wise bifurcation of Capacity Utilisation for financial year ending March 31, 2021, March 31, 2020 and March 31, 2019 is as follows:

Capacity Utilisation [in MT(Metric Tonnes)]

| Products | Particulars | For the period ended 31 st March, 2021 | For the period ended 31 st March, 2020 | For the period ended 31 st March, 2019 |
|------------------|--------------------|---|---|---|
| Steel Pipes | Installed Capacity | 166,491 | 157,229 | 147,199 |
| | Actual Production | 48,959.00 | 67,183.00 | 66,444.00 |
| | % | 29.41 | 42.73 | 45.14 |
| Cold Rolled | Installed Capacity | 27,698 | 36,456 | 36,456 |
| | Actual Production | 16,683.00 | 29,810.00 | 29,673.00 |
| | % | 60.23 | 81.77 | 81.39 |
| HRPO | Installed Capacity | 32,302 | 23,544 | 23,948 |
| | Actual Production | 19,456 | 19,251 | 19,710 |
| | % | 60.23 | 81.77 | 82.30 |
| Steel Structured | Installed Capacity | 8,372 | 11,678 | 21,265 |
| | Actual Production | 2,515.00 | 5,461.00 | 10,854.00 |
| | % | 30.04 | 46.76 | 51.04 |
| MS Wire | Installed Capacity | 6,000 | 6,000 | 6,000 |
| | Actual Production | 0 | 76 | 316 |
| | % | 0.00 | 1.27 | 5.27 |
| Precision Pipe | Installed Capacity | 3,138 | 9,093 | 9,536 |
| | Actual Production | 402 | 2,417 | 2,639 |
| | % | 12.81 | 26.58 | 27.67 |
| SS Pipe | Installed Capacity | 0 | 3,000 | 3,000 |
| | Actual Production | 0 | 0 | 37 |
| | % | 0 | 0.00 | 1.23 |

GEOGRAPHICAL WISE REVENUE BREAKUP

The geographical wise revenue breakup of the Company as follows:

(Amount in Lakhs)

| State Name | 2021-22 (upto November) | 2020-21 | 2019-20 | 2018-19 |
|-----------------------|----------------------------|-----------|-----------|-----------|
| DOMESTIC SALES | | | | |
| Haryana | 9,132.64 | 12,426.51 | 19,356.50 | 21,809.52 |
| Uttar Pradesh | 5,628.92 | 5,662.05 | 8,230.76 | 10,364.52 |

| | | | | |
|----------------------------|------------------|------------------|------------------|------------------|
| Himanchal Pradesh | 6,185.07 | 6,904.97 | 2,917.88 | 1,859.40 |
| Punjab | 4,134.44 | 6,770.12 | 12,011.01 | 8,967.18 |
| Delhi | 2,770.62 | 2,695.32 | 4,441.52 | 3,883.43 |
| Uttarakhand | 3,084.50 | 5,197.45 | 2,761.66 | 6,770.88 |
| Rajasthan | 2,613.99 | 7,192.90 | 6,847.57 | 5,634.18 |
| Gujarat | 1,635.54 | 1,517.86 | 1,487.77 | 1,331.26 |
| Maharashtra | 1,116.55 | 1,161.06 | 854.17 | 1,105.82 |
| Madhya Pradesh | 758.53 | 1,494.33 | 1,789.81 | 1,781.31 |
| Jammu & Kashmir | 451.31 | 224.05 | 778.55 | 2,110.11 |
| Mizoram | 160.13 | - | - | - |
| Arunachal Pradesh | 39.81 | 43.76 | 629.09 | 960.51 |
| Jharkhand | 115.60 | 104.48 | 490.80 | 5.09 |
| Sikkim | 102.78 | - | 281.05 | 501.69 |
| Ladakh | 99.94 | 128.35 | - | - |
| Manipur | 7.75 | 32.66 | 30.56 | - |
| Nagaland | 70.38 | - | - | - |
| Orrisa | 27.38 | - | 146.11 | 381.42 |
| Chhattisgarh | 22.26 | 12.71 | 63.44 | 156.57 |
| Tamilnadu | 22.17 | 56.76 | 125.50 | 126.48 |
| Bihar | - | 128.37 | 837.93 | 2,055.39 |
| West Bangal | 2.60 | 173.03 | 102.71 | 219.83 |
| Assam | 1.47 | 2.40 | 11.90 | - |
| Andhra Pradesh | - | 10.42 | 26.76 | 60.64 |
| Karnataka | - | 7.17 | 120.94 | 51.51 |
| Telangana | - | 0.72 | 26.35 | 217.20 |
| Goa | - | - | 13.87 | - |
| Meghalya | - | - | 3.57 | - |
| Kerla | - | - | - | 33.42 |
| DNH | - | - | - | 16.91 |
| Total (A) | 38,184.38 | 51,947.45 | 64,387.78 | 70,404.27 |
| INTERNATIONAL SALES | | | | |
| Export | 0.00 | 202.06 | 991.00 | 1145.22 |
| Total (B) | - | 202.06 | 991.00 | 1,145.22 |
| Grand Total (A+B) | 38,184.38 | 52,149.51 | 65,378.78 | 71,549.50 |

PRODUCT WISE REVENUE BREAKUP

The product wise revenue breakup of the Company as follows:

| Particulars | 2021-2022 (upto December) | | 2020-2021 | | 2019-2020 | | 2018-2019 | |
|-------------------------------|------------------------------|--------------------|------------|--------------------|------------|--------------------|------------|--------------------|
| | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) |
| (A) Manufactured goods | | | | | | | | |
| 1. Pipes | | | | | | | | |
| ERW Pipes | 7,500.200 | 4860.38 | 20,988.810 | 10136.80 | 36,642.339 | 14297.52 | 33,764.948 | 14742.08 |
| ERW Pipes (Export) | - | 0.00 | 289.410 | 138.95 | 1,133.380 | 507.74 | 976.853 | 499.65 |
| GI Pipes | 14,850.670 | 12017.63 | 29,249.190 | 16735.99 | 28,520.576 | 15066.87 | 23,889.609 | 14549.65 |
| GI Pipes (Export) | - | 0.00 | 111.291 | 63.11 | 917.349 | 483.03 | 1,066.586 | 645.57 |
| Precision Pipe | 364.120 | 277.12 | 405.880 | 186.11 | 2,416.571 | 1062.89 | 2,687.375 | 1454.62 |
| S.T. Poles | 1,586.860 | 1290.02 | 1,982.116 | 1164.96 | 3,903.960 | 2226.16 | 8,756.470 | 5600.62 |
| | | | | | | | | |
| 2. Structure | 385.290 | 261.18 | 461.330 | 387.82 | 1,588.043 | 1066.43 | 2,683.012 | 1946.47 |
| | | | | | | | | |
| 3. CR Coil/Strips | 22,602.600 | 15858.73 | 36,213.574 | 18327.12 | 50,391.198 | 20965.75 | 48,323.437 | 23951.50 |

| | | | | | | | | |
|-------------------------|-----------------|------------------------|-------------------|------------------------|---------------------|------------------------|---------------------|------------------------|
| 4. Others | - | 0.00 | - | 0.00 | 75.770 | 31.27 | 357.984 | 202.36 |
| Total (A) | 47,289.740 | 34565.06 | 89,701.601 | 47140.87 | 1,25,589.186 | 55707.66 | 1,22,506.274 | 63592.52 |
| (B) Traded goods | | | | | | | | |
| Product Name | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) |
| 1. HR COIL | 2,365.910 | 1439.65 | 6,922.203 | 3355.90 | 17,445.826 | 6894.14 | 9,240.648 | 3983.74 |
| 2. OTHERS | | 0.00 | 148.706 | 97.79 | | 0.00 | 440.440 | 221.83 |
| 3. ZINC | 305.570 | 702.55 | 25.090 | 56.20 | 547.168 | 1015.71 | 702.607 | 1480.34 |
| Total (B) | 2,671.480 | 2142.20 | 7,095.999 | 3509.90 | 17,992.994 | 7909.84 | 10,383.695 | 5685.91 |
| (C) Others | | | | | | | | |
| Product Name | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) | Qty (MT) | Amount (in Lac) |
| 1. Scrap Sale | | 1477.12 | | 1498.75 | | 1761.28 | | 2271.07 |
| Total (C) | - | 1477.12 | - | 1498.75 | - | 1761.28 | - | 2271.07 |
| Total (A+B+C) | 49,961.220 | 38184.38 | 96,797.600 | 52149.51 | 1,43,582.180 | 65378.78 | 1,32,889.969 | 71549.50 |

TOP TEN CUSTOMERS

For Financial Year 2020-2021 (Upto 30th November 2021)

| Party Name | Qty (MT) | Amount (Rs. in Lac) | %age |
|------------------------------|------------------|---------------------|--------|
| HPSCSC, SHIMLA | 5332.000 | 4,718.34 | 12.36% |
| EMANATE PIPE PRIVATE LIMITED | 2527.740 | 1,734.35 | 4.54% |
| VINDHYA TELELINKS LIMITED | 1549.480 | 1,263.42 | 3.31% |
| ADARSH TUBE CORPORATION | 883.945 | 745.60 | 1.95% |
| HARESH STEEL & PIPES | 754.730 | 623.82 | 1.63% |
| K.V. TRADERS | 623.910 | 536.77 | 1.41% |
| KAPIL STEELS | 593.040 | 423.97 | 1.11% |
| SUPER STAR STEELS (P) LTD. | 574.380 | 404.52 | 1.06% |
| CVJ TRADEX LLP | 567.640 | 394.02 | 1.03% |
| YASH APPLIANCES | 476.280 | 346.30 | 0.91% |
| | 13883.145 | 11,191.10 | |

For Financial Year 2020-2021

| Party Name | Qty (MT) | Amount (Rs. in Lac) | %age |
|------------------------------|------------------|---------------------|--------|
| HPSCSC, SHIMLA | 10758.195 | 5,848.23 | 11.21% |
| UTTAM STRIPS LIMITED | 3632.960 | 2,007.82 | 3.85% |
| ADARSH TUBE CORPORATION | 2532.380 | 1,717.64 | 3.29% |
| K.V. TRADERS | 1936.465 | 1,351.00 | 2.59% |
| HARESH STEEL & PIPES | 1201.660 | 766.18 | 1.47% |
| SUPER STAR STEELS (P) LTD. | 1227.410 | 601.11 | 1.15% |
| MAGNUM STEEL PIPE INDUSTRIES | 1191.485 | 564.47 | 1.08% |
| HI-TECH PIPES LIMITED | 1024.440 | 561.47 | 1.08% |
| VINDHYA TELELINKS LIMITED | 905.410 | 555.41 | 1.07% |
| KISSAN SALES CORPORATION | 845.665 | 456.74 | 0.88% |
| | 25256.070 | 14,430.08 | |

For Financial Year 2019-2020

| Party Name | Qty (MT) | Amount (Rs. in Lac) | %age |
|---------------------------|----------|---------------------|-------|
| VINDHYA TELELINKS LIMITED | 1781.040 | 1,112.03 | 1.70% |

| | | | |
|----------------------------------|------------------|-----------------|-------|
| L&T HYDROCARBON ENGINEERING LTD. | 2000.705 | 1,107.13 | 1.69% |
| HPSCSC, SHIMLA | 2446.000 | 1,073.51 | 1.64% |
| ADARSH TUBE CORPORATION | 1568.575 | 851.88 | 1.30% |
| SUPER STAR STEELS (P) LTD. | 2154.315 | 845.28 | 1.29% |
| JRB STRIPS (P) LTD. | 2063.700 | 844.12 | 1.29% |
| HARESH STEEL & PIPES | 1452.460 | 765.19 | 1.17% |
| UTTAM STRIPS LTD. | 2081.575 | 759.75 | 1.16% |
| GLOBE HITECH INDUSTRIES | 1677.220 | 754.09 | 1.15% |
| MAA PADMAVATI TRADERS | 1677.580 | 722.22 | 1.10% |
| | 18903.170 | 8,835.21 | |

For Financial Year 2018-2019

| Party Name | Qty (MT) | Amount (Rs. in Lac) | %age |
|-----------------------------|------------------|---------------------|-------|
| VINDHYA TELELINKS LIMITED | 3343.790 | 2,227.25 | 3.11% |
| KRISHNA KRIPA TUBE (P) LTD. | 2256.080 | 1,224.78 | 1.71% |
| NAVYUG IRON TRADERS | 2049.810 | 1,003.69 | 1.40% |
| EASTMAN IMPEX | 1361.300 | 763.30 | 1.07% |
| GLOBE HITECH INDUSTRIES | 1366.170 | 739.74 | 1.03% |
| TATA PROJECT LTD | 1137.950 | 673.35 | 0.94% |
| ADARSH TUBE CORPORATION | 1102.895 | 663.63 | 0.93% |
| ARIHANT METALS | 312.356 | 646.58 | 0.90% |
| MAA PADMAVATI TRADERS | 1269.165 | 633.65 | 0.89% |
| LUMINO INDUSTRIES LTD | 914.900 | 628.00 | 0.88% |
| | 15114.416 | 9,203.96 | |

TOP TEN SUPPLIERS

For Financial Year 2020-2021 (Upto 30th November 2021)

| Party Name | Amount (Rs. in Lac) |
|----------------------------------|---------------------|
| TATA STEEL LIMITED | 9,746.28 |
| A G UNIVERSAL PRIVATE LIMITED | 3,701.87 |
| UNITED DRILLING TOOLS LTD | 2,426.96 |
| JYOTI STRIPS PVT LTD | 2,253.79 |
| JINDAL PIPES LIMITED | 1,934.14 |
| mitsui & co. india pvt ltd | 1,707.60 |
| STEEL AUTHORITY OF INDIA LIMITED | 1,266.37 |
| BANSAL ALLOYS & METALS PVT. LTD. | 972.26 |
| UTTAM STRIPS LIMITED | 573.45 |
| SORIN CORPORATION | 544.21 |
| | 25,126.93 |

For Financial Year 2020-2021

| Party Name | Amount (Rs. in Lac) |
|----------------------------|---------------------|
| TATA STEEL LIMITED | 19,090.53 |
| JYOTI STRIPS PVT LTD | 5,119.94 |
| mitsui & co. india pvt ltd | 4,822.32 |

| | |
|-----------------------------------|------------------|
| JINDAL PIPES LIMITED | 3,449.19 |
| A G UNIVERSAL PRIVATE LIMITED | 1,741.32 |
| AVON STEEL INDUSTRIES PVT. LTD | 1,571.63 |
| HINDUSTAN ZINC LIMITED | 1,121.62 |
| UTTAM STRIPS LIMITED | 552.43 |
| AJIT SHEETS INDIA PRIVATE LIMITED | 455.14 |
| STEEL AUTHORITY OF INDIA LIMITED | 395.93 |
| | 38,320.06 |

For Financial Year 2019-2020

| Party Name | Amount (Rs. in Lac) |
|-----------------------------------|---------------------|
| TATA STEEL LIMITED | 36,693.86 |
| STEEL AUTHORITY OF INDIA LIMITED | 11,409.59 |
| HINDUSTAN ZINC LIMITED | 4,172.16 |
| JYOTI STRIPS PVT LTD | 1,528.55 |
| AVON STEEL INDUSTRIES PVT. LTD | 1,091.79 |
| mitsui & CO. INDIA PVT LTD | 796.94 |
| AJIT SHEETS INDIA PRIVATE LIMITED | 747.34 |
| ANUBHAV PLAST PRIVATE LIMITED | 358.00 |
| SUPER STAR STEELS PVT LTD | 303.54 |
| CHOPRA STEEL STRIPS | 287.45 |
| | 57,389.22 |

For Financial Year 2018-2019

| Party Name | Amount (Rs. in Lac) |
|----------------------------------|---------------------|
| TATA STEEL LIMITED | 25,678.99 |
| STEEL AUTHORITY OF INDIA LIMITED | 23,098.01 |
| HINDUSTAN ZINC LTD. | 4,700.02 |
| JYOTI STRIPS PVT LTD | 4,453.23 |
| AVON STEEL INDUSTRIES PVT. LTD | 1,628.83 |
| R.P. MULTIMETALS PVT. LTD. | 534.76 |
| OASIS ENTERPRISES (P) LTD. | 471.37 |
| JINDAL INDIA | 439.94 |
| JOGINDRA CASTINGS PVT. LTD. | 406.62 |
| CHOPRA STEEL STRIPS | 259.32 |
| | 61,671.10 |

EXPORT SALE

For Financial Year 2020-2021

| Party Name | Qty | Amount (Rs) | Country |
|---------------------------|----------------|-------------------|--------------|
| ELBROC MINING PRODUCTS | 289.410 | 13,895,031 | SOUTH AFRICA |
| FTE GROUP PTE LTD | 23.554 | 1,346,434 | AUSTRALIA |
| METRO WATER SERVICES LTD. | 87.737 | 4,964,738 | TANZANIA |
| Grand Total | 400.701 | 20,206,203 | |

For Financial Year 2019-20

| Party Name | Qty | Amount (Rs) | Country |
|---|-----------------|-------------------|--------------|
| EAST TERMINAL ENT. | 25.534 | 1,400,161 | AFRICA |
| ELBROC MINING PRODUCTS | 197.600 | 9,150,514 | SOUTH AFRICA |
| ELECTRA AL SHAGHAIRI TRAD & CONT. CO. WLL | 68.428 | 3,063,483 | QATAR |
| EXCEL METAL INDUSTRIES | 102.900 | 4,106,700 | QATAR |
| FTE GROUP PTE LTD | 22.889 | 1,180,548 | AUSTRALIA |
| GOLDEN PHOENIX TRADING (FZC) | 48.095 | 2,286,080 | U.A.E. |
| GOLDEN RELIEF RESOURCES LTD | 75.200 | 3,628,175 | U.A.E. |
| HATFIELDS MANUFACTURING INC | 37.430 | 2,307,200 | U.A.E. |
| JBK CONTROLS E.L.L. | 147.652 | 7,269,657 | QATAR |
| MCM SARL | 46.731 | 2,723,999 | LUXEMBOURG |
| METRO WATER SERVICES LTD. | 62.986 | 3,460,298 | TANZANIA |
| MORGANITE TRADING LTD | 46.603 | 3,084,550 | U.K. |
| QUTBI TRADING W.L.L. | 635.726 | 28,424,218 | BAHRAIN |
| RODHA KHALID COMPANY | 25.755 | 1,269,814 | QATAR |
| SAEY NV | 331.158 | 16,360,728 | BELGIUM |
| SOLOMON MOHAMED KASSAHUN | 26.845 | 1,420,559 | ETHIOPIA |
| STACK GROUP | 10.470 | 633,381 | KUWAIT |
| STAR STEEL LIMITED | 111.910 | 5,433,298 | GHANA |
| ZAINCO UNITED CO. | 26.817 | 1,873,667 | KUWAIT |
| Grand Total | 2050.729 | 99,077,031 | |

For Financial Year 2018-19

| Party Name | Qty | Amount (Rs) | Country |
|-----------------------------------|-----------------|--------------------|------------|
| ATLANTIC SHRIMPERS LTD | 25.685 | 1,733,536 | NIGERIA |
| COMICEL LTD | 24.999 | 1,167,702 | U.K. |
| GERAB NATIONAL ENTERPRISES LLC | 93.321 | 5,382,956 | U.A.E. |
| GOLDEN PHOENIX TRADING (FZC) | 141.179 | 8,063,979 | U.A.E. |
| KIRTANLAL INTERNATIONAL DMCC | 22.930 | 1,030,929 | U.A.E. |
| LOMAS & LOMAS LTD | 85.534 | 4,695,780 | KENYA |
| METRO WATER SERVICES LTD. | 64.100 | 3,993,801 | TANZANIA |
| MISU TRADING | 48.030 | 2,401,500 | NEPAL |
| PHASE TRADING AND CONTRACTING LLC | 25.510 | 1,500,019 | QATAR |
| QUTBI TRADING W.L.L. | 1138.469 | 61,352,351 | BAHRAIN |
| RODHA KHALID COMPANY | 40.316 | 2,580,149 | QATAR |
| RUNI INDUSTRIES | 78.294 | 5,104,942 | NETHERLAND |
| SITA STEEL ROLLINGS LTD. | 92.702 | 5,901,296 | TANZANIA |
| SPRAY CON TECHNOLOGY W.L.L. | 77.600 | 4,398,481 | QATAR |
| STACK GROUP | 84.770 | 5,214,848 | KUWAIT |
| Grand Total | 2043.439 | 114,522,269 | |

UTILITIES & INFRASTRUCTURE FACILITIES

Power

Our Company requires power for the manufacturing requirement at plants and for Office for lighting, Computer systems etc. We have a load of 4100 KVA at Bahadurgarh site and 1050 KVA AT Kosi Kalan Site.

Adequate power is available which is met through the electric supply by the government also we have inverter & generator facility at all of our offices.

Gas

The manufacturing facilities at Bahadurgarh plant is powered by 3000 MMBTU/day of Gas.

Water

Water supply is required for performing Hydrotesting at the plant sites for checking the quality of pipes and tubes.

We have water capacity of 18 KL/day at Bahadurgarh site and 30 KL/day at Kosi Kalan Site.

Water required for human consumption and other purposes is fully met at the existing premises by internal supply & also with private supply.

COMPETITION

Our competition varies for our products and regions. We compete with other manufacturers on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals. There is no authentic data available to our Company on total industry size and market share of our Company vis-a-vis the competitors. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

CLIENTELE

| <i>Sr. No.</i> | <i>Name of Clients</i> |
|----------------|--------------------------------------|
| 1 | HPSCSC, Shimla |
| 2 | Vindhya Telelinks Limited |
| 3 | Hindustan Zinc Ltd. |
| 4 | Adani Gas Limited |
| 5 | Indian Oil - Adani Gas Pvt. Ltd. |
| 6 | Larsen & Toubro Limited |
| 7 | Tata Projects Ltd |
| 8 | Havells India Limited |
| 9 | Atul Auto Limited |
| 10 | G R Infraprojects Ltd. |
| 11 | JMC Projects (India) Ltd. |
| 12 | Jindal Saw Limited |
| 13 | NCC Limited |
| 14 | PNC Infratech Ltd |
| 15 | Delhi Metro Rail Corporation Limited |
| 16 | Futuretech Auto Components |

| | |
|----|--|
| 17 | Jaypee Steels |
| 18 | Atlas Constructions Pvt. Ltd. |
| 19 | Emkay Automobiles Industries Ltd |
| 20 | GTPL Hathway Ltd. |
| 21 | Himachal Futuristic Communications Ltd. |
| 22 | Power Grid Corporation of India Limited |
| 23 | JBM Auto Limited |
| 24 | L.G Industries |
| 25 | National Thermal Power Corporation Limited |

OUR BUSINESS STRATEGY

Steel is known to be backbone of the country. Steel tubs, pipes and CR (Cold Rolled Strips) are used in Infrastructure, Construction, Water/ Oil Transportation and general engineering process. We intend to continue to provide high quality products to our clients and grow our business by leveraging our strengths and implementing the following strategies:

Enhance customer base by entering new geographies

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products. Enhancing our presence in additional regions will enable us to reach out to a larger market. Further, our Company believes in maintaining long term relationships with our customers. We aim to achieve this by maintaining the high quality, timely delivery, competitive pricing and reliability of our products.

Leveraging our Market skills and Relationships

This is a continuous process in our organization. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by increasing the product & geographical base, maintaining our client relationship and renewing our relationship with existing buyers.

Focus on quality

Our Company intends to focus on adhering to the quality of our offerings. This is necessary so as to make sure that we maintain the high-quality standards for our offerings and get repeat orders from our customers. This will also aid us in enhancing our brand value and further increase the business.

| SWOT ANALYSIS | |
|---|--|
| STRENGTHS | WEAKNESS |
| <ul style="list-style-type: none"> • Availability of raw materials • Low wage labour availability • Good transportation system • Brand image | <ul style="list-style-type: none"> • High cost of capital, basic inputs, and manufacturing • Inability to adopt technology advancement • Low labour productivity |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> • Prospects of huge Infrastructural development in India • Unexplored rural market • Increase in demand of steel abroad | <ul style="list-style-type: none"> • Slow industry growth • Disruption of business due to Covid-19 pandemic • High level competition • Decreasing global steel price |

MARKETING

We have some reputed companies in this industry as our customers. Our success lies in the strength of our relationship with our customers and dealers who have been associated with our Company for a long period. Due to strong Dealer network and branding, our product is known to public. Also, we have a strong distribution channel. Our team, through their vast experience

and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of such customers. We have spread our presence to domestic and international markets with large sales potential, low infrastructure costs and the availability of professional expertise. We have experienced & skill management team to motivate the sub-ordinates & staff to step towards their achievements & organizational goals. With their efficient management skills & co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development & nourishment of the organization.

INSURANCE

Our Company has taken following insurance policies against any damage or loss:

| S. No. | Insurer | Description of Property Insured |
|--------|--|--|
| 1. | Universal Sampo General Insurance Co. Ltd. | General Insurance for Office Building situated at 1/23-B, Asaf Ali Road, Delhi-110002 Insured Till 08/12/2022. |
| 3. | TATA AIG General Insurance Company Ltd. | Fire and Burglary Insurance for Building, Plant & Machinery and Stocks for property situated at 41 KM, Delhi Rohtak Road, Asaudh, Bahadurgarh, Dist-Jhajjar, Haryana-124505 Insured Till 29/03/2023. |
| 4. | TATA AIG General Insurance Company Ltd. | Fire and Burglary Insurance for Building, Plant & Machinery and Stocks for property situated at 97, Milestone, NH-2, Delhi Mathura Road, Kosi Mathura, Kosi Kalan, Uttar Pradesh-281403. Insured Till 29/03/2023. |

LAND & PROPERTIES

Our Company has owned the following property or land:

| S. No. | Address | Area | Owned/Leased | Title |
|--------|--|---------------------|--------------|---|
| 1. | 1/23-B, Asaf Ali Road, Delhi-110002 | 444.44 Sq. Yards | Owned | Mortgaged (Consortium SBI, Indian Overseas and Indusind bank) |
| 2. | 41 KM, Delhi Rohtak Road, Asaudh, Bahadurgarh, Dist-Jhajjar, Haryana-124507. | 4.29 Acres | Owned | Mortgaged (Consortium SBI, Indian Overseas and Indusind bank) |
| 3. | 97, Milestone, NH-2, Delhi Mathura Road, Kosi Mathura, Kosi Kalan, Uttar Pradesh-281403. | 21.52 Acres | Owned | Mortgaged (Consortium SBI, Indian Overseas and Indusind bank) |
| 4. | 2, Arihant Nagar, Punjabi Bagh (W), New Delhi 110026 | 225.55 Square Yards | Leased | Leased |
| 5. | Village Tikrikalani, Najafgarh zone, Delhi-110041 | 4176 Square Yards | Owned | Freehold |

INTELLECTUAL PROPERTY

| <i>Trademark/Wordmark</i> | <i>Date of application</i> | <i>Application number</i> | <i>Class</i> | <i>Current Status</i> |
|---|----------------------------|---------------------------|--------------|-----------------------|
|  | 29/03/1988 | 487904 | 6 | Registered |
|  | 29/08/2003 | 1228959 | 11 | Registered |

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KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Approvals" beginning on page 209 of this Draft Red Herring Prospectus.

RELATED TO OUR BUSINESS LABOUR LAWS

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India include the following which is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Compensation Act, 1923;
- Workmen's Compensation Act, 1923;
- Employees (Provident Fund and Miscellaneous Provisions) Act, 1952;
- Employees' State Insurance Act, 1948;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;
- Child Labour (Prohibition and Regulation) Act, 1986
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Apprentices Act, 1961;
- Weekly Holidays Act, 1942
- Payment of Wages Act, 1936;
- Equal Remuneration Act, 1976;
- Public Liability Insurance Act, 1991;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

THE INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951

The Industries (Development and Regulation) Act, 1951 (Industries Regulation Act) is an act which governs the development and regulation of industries in India. The main objectives of the Industries Regulation Act is to empower the Government:- (i) to take necessary steps for the development of industries; (ii) to regulate the pattern and direction of industrial development; (iii) to control the activities, performance and results of industrial undertakings in the public interest. The Industries Regulation Act applies to the 'Scheduled Industries' listed in the First Schedule of the Act. However, small scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Regulation Act.

The Industries Regulation Act is administered by the Ministry of Industries & Commerce through its Department of Industrial Policy & Promotion (-DIPP). The DIPP is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector. It monitors the industrial growth and production, in general, and selected industrial sectors. Certain categories of industries require industrial licensing under the Industries Regulation Act. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion to obtain an

acknowledgement.

THE BUREAU OF INDIAN STANDARDS ACT, 2016

This Act provides for the establishment of a national standards body for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto.

The Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. Enabling provisions have also been made for making hallmarking of the precious metal articles mandatory.

SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL)ACT, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013, (the –SHWPPR Act) aims to provide women protection against sexual harassment at the workplace, prevention of sexual harassment at the workplace and redressal of complaints of sexual harassment. The SHWPPR Act defines ‘sexual harassment’ to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. The government in turn is required to set up a ‘local complaint committee’ at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

THE APPRENTICES ACT, 1961

The Apprentices Act, 1961, as amended (the –Apprentices Act) regulates and controls the programme of training of apprentices and matters connected therewith. The term ‘apprentice’ means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. ‘Apprenticeship training’ means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

THE EMPLOYEES PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952(“EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT”)

The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 is a social welfare legislation to provide for the institution of Provident Fund, Pension Fund and Deposit Linked Insurance Fund for employees working in factories and other establishments. The Act aims at providing social security and timely monetary assistance to industrial employees and their families when they are in distress.

The Act is administered by the Government of India through the Employees’ Provident Fund Organisation (EPFO). The following three schemes have been framed under the Act by the Central Government:

- (a) The Employees’ Provident Fund Schemes, 1952;
- (b) The Employees’ Pension Scheme, 1995; and
- (c) The Employees’ Deposit-Linked Insurance Scheme; 1976.

The Central Government has been constituted Employees’ Provident Funds Appellate Tribunal to exercise the powers and discharge the functions conferred on such by Employees’ Provident Funds and Miscellaneous Provisions Act, 1952.

THE EMPLOYEES COMPENSATION ACT, 1923

The Employees Compensation Act, 1923 (-EC Act), provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of receiving a notice.

THE EQUAL REMUNERATION ACT, 1976

The Equal Remuneration Act, 1976, as amended (-ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

THE MATERNITY BENEFIT ACT, 1961

The Maternity Benefit Act, 1961, as amended (-**Maternity Benefit Act**) regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

THE PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 as amended (the -Payment of Bonus Act) was enacted to provide for the payment of bonus to persons employed in establishments where 20 or more persons are employed on any day during an accounting year. The Payment of Bonus Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer any allocable surplus in the accounting year in which the bonus is payable. Under the Payment of Bonus Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹.100, whichever is higher. Contravention of the provisions of the Payment of Bonus Act by a company is punishable with imprisonment for a term of up to six months or a fine of up to ₹. 1,000 or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company.

THE PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act, 1972 as amended (the -Payment of Gratuity Act) provides for payment of gratuity to an employee at the time of termination of services. Payment of Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding 12 months; and as the Central Government may, by notification, specify. Gratuity under the Payment of Gratuity Act is payable to an employee after he has rendered his services for a period not less than five years: (a) on his / her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). Under the Payment of Gratuity Act, the maximum gratuity payable may not exceed Rs.1,000,000.

THE PAYMENT OF WAGES ACT, 1936

The Payment of Wages Act, 1936 (-PWAll) is applicable to the payment of wages to persons in factories and other establishments. PWA ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

INTELLECTUAL PROPERTY LAWS

TRADEMARKS ACT, 1999

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

COPYRIGHTS ACT, 1957

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

PATENTS ACT, 1970 (Patent Act)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first invention in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

THE INFORMATION TECHNOLOGY ACT, 2000 (“Information Technology Act”)

This Act aims to provide the legal infrastructure for e-commerce in India. And the cyber laws have a major impact for e-businesses and the new economy in India. So, it is important to understand what are the various perspectives of the IT Act, 2000 and what it offers. The Information Technology Act, 2000 also aims to provide for the legal framework so that legal sanctity is accorded to all electronic records and other activities carried out by electronic means. The Act states that unless otherwise agreed, an acceptance of contract may be expressed by electronic means of communication and the same shall have legal validity and enforceability.

PROPERTY RELATED LAWS

TRANSFER OF PROPERTY ACT, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the Transfer of Property Act, 1882. This Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: the transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: the transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The Act recognizes several forms of mortgages over a property.
- Charges: transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: the transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

REGISTRATION ACT, 1908 (THE “REGISTRATION ACT”)

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

THE INDIAN STAMP ACT, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the –Stamp Act) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

INDIAN EASEMENTS ACT, 1882 (THE “EASEMENT ACT”)

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

THE RIGHT TO FAIR COMPENSATION AND TRANSPARENCY IN LAND ACQUISITION, REHABILITATION AND RESETTLEMENT ACT, 2013 (“2013 LAND ACQUISITION ACT”)

The 2013 Land Acquisition Act has replaced the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization. While aiming to cause least disturbance to land owners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons. Under the 2013 Land Acquisition Act, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Maharashtra) Rules, 2014 have been notified which frame rules in relation to inter alia the consent process, the compensation mechanism and rehabilitation and resettlement.

THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016

This Act was notified by the Parliament on 26th March, 2016 and extends to the whole of India. It establishes the Real Estate Regulatory Authority for regulations and promotions of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto. The salient features of the Act are as following:

- Under the Act, instead of a regular forum of consumers, the purchasers of real estate units from a developer would have a specialized forum called the "Real Estate Regulatory Authority" which will be setup within one year from the date of coming into force of the Act. In the interim, the appropriate Government (i.e., the Central or State Government) shall designate any other regulatory authority or any officer preferably the Secretary of the department dealing with Housing, as the Regulatory Authority.
- The promoter has to register their project (residential as well as commercial) with the Regulatory Authority before booking, selling or offering apartments for sale in such projects. In case a project is to be promoted in phases, then each phase shall be considered as a standalone project, and the promoter shall obtain registration for each phase.
- Under the Act, developers can sell units only on carpet area, which means the net usable floor area of an apartment. This excludes the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment.
- The Act mandates that a promoter shall deposit 70% of the amount realised from the allottees, from time to time, in a separate account to be maintained in a scheduled bank. This is intended to cover the cost of construction and the land cost and the amount deposited shall be used only for the concerned project.
- Stringent penal provisions have been prescribed under the Act against the promoter in case of any contravention or non-compliance of the provisions of the Act or the orders, decisions or directions of the Regulatory Authority or the Appellate Tribunal which are the following: a) If promoter does not register its project with the Regulatory Authority – the penalty may be up to 10% of the estimated cost of the project as determined by the Regulatory Authority; b) If promoter does not comply with the aforesaid order of the Regulatory Authority - imprisonment of up to three years and a further penalty of up to 10% of the estimated cost, or both; and c) In case the promoter provides any false information while making an application to the Regulatory Authority or contravenes any other provision of the Act – the penalty may be up to 5% of the estimated cost of the project or construction.

STATE LAW

URBAN DEVELOPMENT LAWS

State legislations provide for the planned development of urban areas and the establishment of regional and local development authorities charged with the responsibility of planning and development of urban areas within their jurisdiction. Real estate projects have to be planned and developed in conformity with the norms established in these laws and regulations made thereunder and require sanctions from the government departments and developmental authorities at various stages. For instance, in certain states such as Haryana, for developing a residential colony, a license is required from the relevant local authority. Where projects are undertaken on lands which form part of the approved layout plans and/or fall within municipal limits of a town, generally the building plans of the projects have to be approved by the concerned municipal or developmental

authority. Building plans are required to be approved for each building within the project area. Clearances with respect to other aspects of development such as fire, civil aviation and pollution control are required from appropriate authorities depending on the nature, size and height of the projects. The approvals granted by the authorities generally prescribe a time limit for completion of the projects. These time limits are renewable upon payment of a prescribed fee. The regulations provide for obtaining a completion/occupancy certificate upon completion of the project.

AGRICULTURAL DEVELOPMENT LAWS

The acquisition of land is regulated by state land reform laws which prescribe limits up to which an entity may acquire agricultural land. Any transfer of land which results in the aggregate land holdings of the acquirer in the state exceeding this ceiling is void, and the surplus land is deemed, from the date of the transfer, to have been vested in the state government free of all encumbrances. When local authorities declare certain agricultural areas as earmarked for townships, lands are acquired by different entities. After obtaining a conversion certificate from the appropriate authority with respect to a change in the use of the land from agricultural to non-agricultural for development into townships, commercial complexes etc., such ceilings are not applicable. While granting licenses for development of townships, the authorities generally levy development/ external development charges for provision of peripheral services. Such licenses require approvals of layout plans for development and building plans for construction activities. The licenses are transferable on permission of the appropriate authority. Similar to urban development laws, approvals of the layout plans and building plans, if applicable, need to be obtained.

ENVIRONMENTAL REGULATIONS

THE ENVIRONMENT PROTECTION ACT, 1986 (“ENVIRONMENT PROTECTION ACT”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

Air (Prevention and Control of Pollution) Act 1981 (—the Act) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

THE NOISE POLLUTION (REGULATION & CONTROL) RULES 2000 (“NOISE REGULATION RULES”)

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974

The Water (Prevention and Control of Pollution) Act 1974 (—the Act) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

NATIONAL ENVIRONMENTAL POLICY, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

IN GENERAL

COMPANIES ACT, 2013

The Companies Act, 2013 deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (-FEMA Regulations) to prohibit, restrict or regulate, transfer or issue security by a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

THE COMPETITION ACT, 2002

The Competition Act, 2002 (the -Competition Act) prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates -combinations in India. The Competition Act also established the Competition Commission of India (the -CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds.

There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

CONSUMER PROTECTION ACT, 2019 (COPRA)

The Consumer Protection Act, 2019 (–COPRAL) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

THE INDIAN CONTRACT ACT, 1872 (“CONTRACT ACT”)

The Contract Act 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

INDUSTRIAL DISPUTES ACT, 1947 (“ID ACT”) AND INDUSTRIAL DISPUTE (CENTRAL) RULES, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases.

Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lockouts, closures, lay-offs and retrenchment.

TAXATION LAWS

INCOME-TAX ACT, 1961

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

GOODS AND SERVICES TAX

The Constitution (One Hundred and First Amendment) Act, 2016 which received presidential assent on September 8, 2016

paved the way for introduction of goods and services tax (**GST**) by making provisions with respect to goods and services tax. Accordingly, the following GST acts have been enacted:

- Central Goods and Services Tax Act, 2017
- Integrated Goods and Services Tax Act, 2017
- Union Territory Goods and Services Tax Act, 2017, and
- Goods and Services Tax (Compensation to States) Act, 2017.

GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

TAXES ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS

Every person engaged in any profession, trade, callings and employment is liable to pay tax at the rate prescribed by the respective state government. It is considered necessary to levy tax on profession, trade callings and employment in order to augment state revenues. Every state is empowered by the Constitution of India to make laws relating to levy of taxes on professions, trades, callings and employments that shall serve as the governing provisions in that state.

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Er Our Company was incorporated as a private limited company namely “Swastik Pipes Private Limited” under the Companies Act, vide certificate of incorporation dated October 10, 1973 issued by Registrar of Companies, NCT of Delhi & Haryana bearing registration no 006881. Further, Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 16, 2002 & name of our Company changed from Swastik Pipes Private Limited to Swastik Pipes Limited & Registrar of Companies, NCT of Delhi and Haryana has issued certificate of incorporation consequent upon conversion dated March 21, 2003 having CIN U74899DL1973PLC006881. Furthermore, the name of the company was changed from Swastik Pipes Limited to Swastik Pipe Limited and a fresh Certificate of Incorporation was issued dated April 3, 2013 by Registrar of Companies, NCT of Delhi & Haryana. Our Company was incorporated in 1973 into the business of steel pipes. Our promoters are having a diversified experience of more than 30 years in the field of manufacturing and trading of steel pipes.

At present, we have highly sophisticated and technically competent plants are located at Bahadurgarh, Distt. Jharjjar, Haryana (Unit no.1) and at Kotwan, Kosi Kalan, Distt. Mathura, Uttar Pradesh (Unit No. 2) with an installed capacity, both units aggregating of 2,01,250 MT as on date of this Draft Red Herring Prospectus.

Swastik Pipe has diversified its Manufacturing activities towards production of Solar Module Mounting Structures, Transmission Towers, Steel Tubular Poles and Solar Poles Special Structure for Railways, Scaffolding and Formwork.

Swastik Pipe Ltd is one of the oldest and prominent manufacturer, exporter and supplier of steel pipes and tubes to various heavy engineering industries in India and abroad.

CHANGES IN OUR REGISTERED OFFICE

1) Registered Office of the Company is presently situated at 2, Arihant Nagar, Punjabi Bagh (W), New Delhi-110026.

The Details of the change of Registered Office of the Company are as follows:

| Sr. No. | Date of Change | Shifted From | Shifted to |
|---------|----------------|--|--|
| 1 | 25/11/2021 | 4, Arihant Nagar, Punjabi Bagh (W), New Delhi 110026, India | 2, Arihant Nagar, Punjabi Bagh (W), New Delhi 110026, India |
| 2 | 25/11/2021 | 4, Central Market, Punjabi Bagh (W), New Delhi 110026, India | 4, Arihant Nagar, Punjabi Bagh (W), New Delhi West Delhi 110026, India |
| 3 | 01/4/2017 | 1/23-B, Asaf Ali Road, New Delhi 110002, India | 4, Central Market, Punjabi Bagh (W), New Delhi 110026, India |
| 4 | 01/4/2015 | Property No:4, Central Market, West Avenue Road, Punjabi Bagh (West), New Delhi, Delhi 110026, India | 1/23-B, Asaf Ali Road, New Delhi 110002, India |
| 5 | 01/12/2007 | 1/23 Basaf Ali Road, New Delhi 110002, India | Property No:4, Central Market, West Avenue Road, Punjabi Bagh (West), New Delhi, Delhi 110026, India |

MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To carry on the business of manufacturers of all kinds of pipes, fittings wire-drawings, wire nails, barbed, wires, nuts, bolts, tools and implements, accessories, equipments and as brass founders, metal workers, boil makers and metallurgists.
2. To carry on the business of manufacturing, processing, fabricating, assembling, buying, selling, reselling, importing, exporting, supplying, otherwise dealing in any manner whatsoever in all type of steel goods, tubes, pipes, whether circular or non-circular, square, rectangular and other hollow sections, structures, solar structures, crush barriers, channels,

prefabricated items, made of pipes, tubes and other items, and all kind of allied, ancillary products.

3. To manufacture, buy, sell, exchange, work, alter, improve import, export and otherwise deal in all kinds of steel products, steel saws, blades, tool and alloy steel and strips & ferrous products.
4. To carry on the business of manufacturers, importers and exporters of and dealers in steel poles(ferrous and non-ferrous) of all kinds i.e. tubular poles, rectangular poles, hexagon poles or any kind of steel poles.
5. To carry on the business or business of manufacturers, importers and exporters of and dealers in steel metal(ferrous and non-ferrous) and steel metal articles of all kinds and to carry on the trade or business of a rolling mill, foundries and to manufacture steel wire ropes.
6. To carry on the business of masters, steel converters, steel makers, mechanical engineers, fabricators, manufacturers, miners, smelters, iron founders and tin plate makers.
7. To carry on the business or businesses of manufacturers, importers and exporters of and dealers in product of forging, press, structural and rolling works of all kinds, including rods, bars, wires, sheets and all kinds of ferrous and non-ferrous casting.
8. To carry on the business of manufacturers, importers and exporters of and dealers of ferrous and non-ferrous casting of all kinds including chilled and malleable castings, special alloys castings, steel castings, gunmetal, copper, brass and aluminum castings and foundry works of all kinds.
9. To set up steel furnaces and continuous casting and rolling mill plant for producing steel ingots, billets, and all kinds and all sizes of re-rolled section i.e. flats angels, rounds, square rails, joints, channels steel strips, sheets, plates, deformed bars, plain and cold twisted bars, shafting and steel structurals.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:

| Date of Amendment | Particulars of Amendment |
|--------------------|--|
| March 21, 2003 | Conversion of the Company from Private to Public |
| June 06, 2005 | Increase in Authorised share capital from 3.5 crore to 4 crore |
| March 15, 2007 | Alteration of Object Clause of the Memorandum of Association of the Company |
| November 29, 2007 | Increase in Authorised share capital from 4 crore to 6 crore |
| December 27, 2007 | Increase in Authorised share capital from 6 crore to 10 crore |
| September 29, 2011 | Alteration of Object Clause by adding new sub- clause (6) in the other objects of the Memorandum of Association of the Company |
| February 07, 2013 | Change of Name from “Swastik Pipes Limited” to “Swastik Pipe Limited” |
| July 01, 2021 | Increase in Authorised share capital from 10 crore to 14.25 crore |
| March 10, 2022 | Alteration of Object Clause of the Memorandum of Association of the Company |
| March 10, 2022 | Sub-division of the nominal value of equity shares from existing ₹. 100/- to ₹. 10/- per share |
| March 10, 2022 | Increase in Authorised share capital from 14.25 crore to 26.25 crore |
| March 10, 2022 | Alteration Capital Clause of the Memorandum of Association of the Company |

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

| YEAR | PARTICULARS |
|------|---|
| 1973 | Incorporation of our Company. |
| 2003 | Company converted into Public Limited Company |
| 2011 | *Alteration of Object Clause by including the Object I.e. To export, import, buy, sell or otherwise Deal in Agricultural Products Like:- Rice |
| 2013 | Change in Name From “Swastik Pipes Limited” to “Swastik Pipe Limited” |

**The company carried on the Object of Dealing in Agricultural Products such as Rice in the year 2011 only.*

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis For Issue Price" on page 84 of this Draft Red Herring Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Company as on the date of filing of this Draft Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no Subsidiary Company as on the date of filing of this Draft Red Herring Prospectus.

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has received a notice for striking off its name from the relevant Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled "*Capital Structure*" beginning on page number 47 respectively, of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not re-valued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this Draft Red Herring Prospectus, there has been no change in the activities being carried out by our Company during the preceding five years from the date of this Draft Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Red Herring Prospectus, there have been no time and cost over runs in any of the projects undertaken by our Company.

SHAREHOLDERS' AGREEMENT

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Red Herring Prospectus.

OTHER AGREEMENTS

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

FINANCIAL PARTNERS

As on the date of this Draft Red Herring Prospectus, our Company does not have any financial partners.

ACQUISITION OF BUSINESS/UNDERTAKINGS

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking in last 10 years.

DIVESTMENT OF BUSINESS/UNDERTAKING BY COMPANY IN THE SINCE INCEPTION YEARS

There has been no divestment by the Company of any business or undertaking since inception.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has 15 (Fifteen) shareholders as on date of this Draft Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled "Capital Structure" beginning on page 47 of this Draft Red Herring Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled -Our Business and -Our History and certain corporate matters on page 102 and 133 respectively of this Draft Red Herring Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled -Financial Statements beginning on page 161 of this Draft Red Herring Prospectus.

COLLABORATION AGREEMENT

As on the date of this Draft Red Herring Prospectus, our Company is not party to any collaboration agreement.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consist of 6 (Six) Directors, out of which 3 (Three) are Executive Directors, 3 (Three) are Non-Executive Independent Directors. Mr. Sandeep Bansal is the Managing Director of Our Company.

| S.N. | Name | DIN | Category | Designation |
|------|--------------------------|----------|---------------|----------------------|
| 1. | Mr. Sandeep Bansal | 00165391 | Executive | Managing Director |
| 2. | Mr. Dinesh Kumar Dhanda | 02421177 | Executive | Director |
| 3. | Mr. Surinder Singh | 06941329 | Executive | Director |
| 4. | Mr. Rajinder Kumar Anand | 08132362 | Non-Executive | Independent Director |
| 5. | Mr. Vishal Dugar | 00444076 | Non-Executive | Independent Director |
| 6. | Ms. Sony Kumari | 09270483 | Non-Executive | Independent Director |

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

| | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship |
|---|---|-----|--------------------|
| 1 | <p>Sandeep Bansal</p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> House No-2, Road No-60 Punjabi Bagh West, Punjabi Bagh Delhi- 110026 India</p> <p><i>Date of Birth:</i> 28/12/1970</p> <p><i>Qualification:</i> Master of Business Administration (MBA)</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 10/03/2022 To 31/10/2023</p> <p><i>Date of First Appointment:</i> 26/03/1990</p> <p><i>Date of Appointment as MD:</i> 10/03/2022</p> <p><i>DIN:</i> 00165391</p> | 51 | NIL |

| | | | |
|---|---|----|--------------------------------------|
| 2 | <p>Dinesh Kumar Dhanda</p> <p><i>Designation:</i> Director</p> <p><i>Address:</i> Flat No.- 602, Tower No-5, Sorranto Tower-Omaxe City, Bahadurgarh, Rohtak, Haryana 124507 India</p> <p><i>Date of Birth:</i> 16/08/1960</p> <p><i>Qualification:</i> Bachelor's in commerce</p> <p><i>Occupation:</i> Employee</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 20/05/2021 To 19/05/2022</p> <p><i>Date of First Appointment:</i> 16/05/2017</p> <p><i>DIN:</i> 02421177</p> | 61 | NIL |
| 3 | <p>Surinder Singh</p> <p><i>Designation:</i> Director</p> <p><i>Address:</i> Exb-39, Gali No-0, Hari Nagar Maya Puri s.o, South West Delhi- 110064 India</p> <p><i>Date of Birth:</i> 14/06/1953</p> <p><i>Qualification:</i> Graduate</p> <p><i>Occupation:</i> Employee</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 25/11/2021 To 24/11/2022</p> <p><i>Appointed on:</i> 25/11/2021</p> <p><i>DIN:</i> 06941329</p> | 68 | NIL |
| 4 | <p>Rajinder Kumar Anand</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> A2/19, Chachi Building Hanuman Chowk, Krishna Nagar Delhi 110051 India</p> <p><i>Date of Birth:</i> 29/08/1955</p> <p><i>Qualification:</i> M.com (Hons.)</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> For a period of 5 years from 01/02/2020</p> <p><i>Appointed on:</i> 01/02/2020</p> | 66 | A) Bhardwaj Finlease Private Limited |

| | | | |
|---|--|----|---|
| | <i>DIN:</i> 08132362 | | |
| 5 | <p>Vishal Dugar</p> <p>Designation: Independent Director</p> <p><i>Address:</i> E-62, Kirti Nagar, New Delhi, Delhi-110015</p> <p><i>Date of Birth:</i> 20/02/1975</p> <p><i>Qualification:</i> Master of Business Administration (MBA)</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 10/03/2022 To 09/03/2027</p> <p><i>Appointed on:</i> 10/03/2022</p> <p><i>DIN:</i> 00444076</p> | 47 | A) Surajshree Chemicals Ltd |
| 6 | <p>Sony Kumari</p> <p>Designation: Independent Director</p> <p><i>Address:</i> E-30B, Flat no. 8, 2nd floor, Chhatarpur extension near Suman Showk, South Delhi, Delhi-110074</p> <p><i>Date of Birth:</i> 07/11/1991</p> <p><i>Qualification:</i> Company Secretary</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 10/03/2022 To 09/03/2027</p> <p><i>Appointed on:</i> 10/03/2022</p> <p><i>DIN:</i> 09270483</p> | 30 | A) Advik Capital Limited B) Integra Essentia Limited |

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Sandeep Bansal, aged 51 years, is Promoter cum Managing Director of our Company. He holds degree in Master of Business Administration (MBA) in Management from Fore School of Management University. He was originally appointed on the Board on March 26, 1990 as the Whole Time Director of the Company. He has an experience of around 30 years in our Industry. He is responsible for the expansion and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company.

Mr. Dinesh Kumar Dhanda, aged 61 years, is Whole Time Director of our Company. He holds degree of Bachelor's in commerce from Hemvati Nandan Bahuguna Garhwal University. He was originally appointed as Whole Time Director on the Board on May 16, 2017. He has an experience of more than 37 years working in different industries i.e. Mukerian Papers Limited (Oswal Group), Vallabh Steels Ltd, Chadha Papers Ltd, K.C. Group of Colleges, Ralson Castings Ltd etc. He manages the entire production of our Company.

Mr. Surinder Singh, aged 69 years, is Whole Time Director of our Company. He is Graduate by Qualification, he has over 4 decades of experience in industry. Since 1973-2011, he worked in Punjab Govt (Industry Dept.) till his retirement. From 2012, he worked with private sector industries.

Mr. Rajinder Kumar Anand, aged 66 years, is Independent Director of our Company. He is having experience of 44 years. He served IDBI Bank Ltd from year 1977 to 2015, and retired as Branch Head. His presence in the board bring independence in functioning and working of the Company.

Mr. Vishal Dugar, aged 47 years is Independent Director of our Company. He holds degree in MBA from Maastricht School of Management (ACBSP Accredited), Netherland. He is having experience of 25 years in our Industry. He represented Indian Office for development of PAN India Business to biggest industrial house of Nepal, steel export business in India. His presence in the board bring independence in functioning and working of the Company beside worldwide experience.

Ms. Sony Kumari, aged 30 years is Independent Director of our Company. She is a qualified Company Secretary. She is having five years of experience in Corporate secretarial, legal, statutory compliances, corporate governance, IPR and allied matters. She will support the board of directors in ensuring their functions efficiently and effectively. Her presence in the board bring independence in functioning and working of the Company.

Note:

None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Draft Red Herring Prospectus.

- 1) *None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 2) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| Sr. No. | Name of the Director | Relationship with other Director |
|---------|----------------------|----------------------------------|
| | | Nil |

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension

None of our Directors is / was a Director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

i. Executive Directors

| | |
|---------------------------------|-------------------------------|
| Name | Mr. Sandeep Bansal |
| Designation | Managing Director |
| Period | From 10/03/2022 To 31/10/2023 |
| Date of approval of shareholder | 10/03/2022 |
| Remuneration | Rs. 2,00,000/- Per Month |
| Perquisite | Nil |

| | |
|---------------------------------|-------------------------------|
| Name | Mr. Dinesh Kumar Dhanda |
| Designation | Whole Time Director |
| Period | From 20/05/2021 To 19/05/2022 |
| Date of approval of shareholder | 18/02/2021 |
| Remuneration | Rs. 40,000/- Per Month |
| Perquisite | Nil |

| | |
|---------------------------------|-------------------------------|
| Name | Mr. Surinder Singh |
| Designation | Whole Time Director |
| Period | From 25/11/2021 To 24/11/2022 |
| Date of approval of shareholder | 25/11/2021 |
| Remuneration | Rs. 40,000/- Per Month |
| Perquisite | Nil |

ii. Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|---------|-----------------------|---------------------------|--|
| 1. | Sandeep Bansal | 3949908 | 23.26% |

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except Promoters, none of our Directors have any interest in the promotion of our Company.

Interest in the property of Our Company

Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus. Our Directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in Related Party Transaction in the chapter titled Financial Information beginning on page number 159 of this Draft Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of Service Contracts

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

Bonus or Profit-Sharing Plan for the Directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and Deferred Compensation Payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Other Indirect Interest

Except as stated in chapter titled *Financial Information* beginning on page 159 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Borrowing Power of the Board

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies 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 the paid-up capital of the Company and free reserve, the approval of shareholders' by way of Special Resolution will be required. The company has passed a special resolution dated September 30, 2021 for approval of borrowing limits not exceeding ₹. 300 Crores.

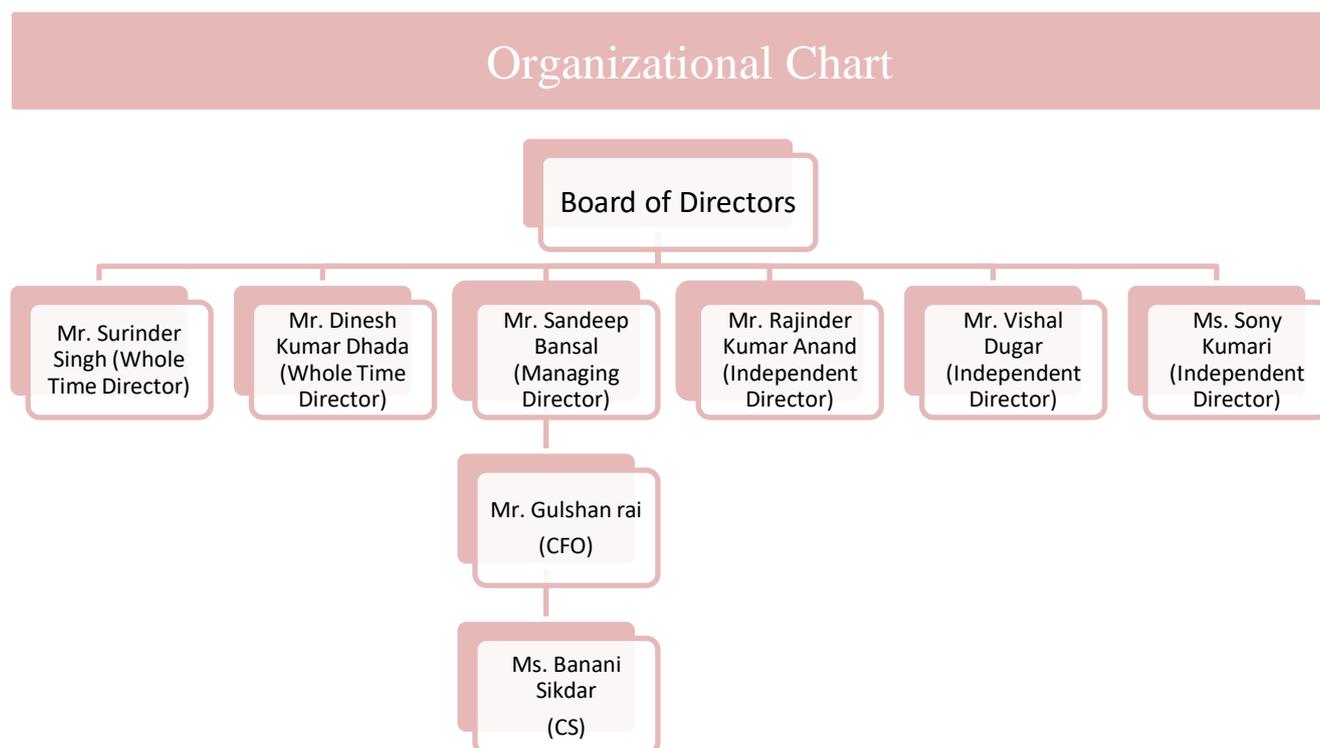
Changes in The Board for the Last Three Years

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

| Name of Director | Date of Event | Reason for Change |
|----------------------|--------------------|-------------------------------------|
| Sandeep Bansal | March 10, 2022 | Appointment as Managing Director |
| Sony Kumari | March 10, 2022 | Appointment as Independent Director |
| Vishal Duggar | March 10, 2022 | Appointment as Independent Director |
| Nitoo Pandey | March 10, 2022 | Cessation from Additional Director |
| Dinesh Kumar Dhanda | March 10, 2022 | Appointment as Whole time Director |
| Surendra Kumar Goel | January 16, 2022 | Cessation from Additional Director |
| Surinder Singh | November 25, 2021 | Appointment as Whole time Director |
| Nitoo Pandey | November 25, 2021 | Appointment as Additional Director |
| Surinder Singh | November 25, 2021 | Appointment as Additional Director |
| Malvika Gupta | September 30, 2021 | Appointment as Director |
| Malvika Gupta | September 02, 2021 | Appointment as Additional Director |
| Dinesh Kumar Dhanda | May 20, 2021 | Appointment as Whole time Director |
| Surendra Kumar Goel | November 28, 2020 | Appointment as Whole time Director |
| Surendra Kumar Goel | November 28, 2020 | Appointment as Additional Director |
| Dinesh Kumar Dhanda | May 20, 2020 | Appointment as Whole time Director |
| Devki Nandan Bansal | February 22, 2020 | Cessation from Managing Director |
| Anupama Bansal | February 10, 2020 | Cessation from the post of Director |
| Rajinder Kumar Anand | February 01, 2020 | Appointment as Independent Director |
| Dinesh Kumar Dhanda | May 20, 2019 | Appointment as Whole time Director |

Management Organization Structure

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



CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

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

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated March 12, 2022 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------------------|
| Vishal Dugar | Chairperson | Non-Executive Independent Director |
| Sony Kumari | Member | Non-Executive Independent Director |
| Sandeep Bansal | Member | Managing Director |

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

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are 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 being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-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. Qualifications 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/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the 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 on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. 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 & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The 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, reasons 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 committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on March 12,

2022. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------------------|
| Vishal Dugar | Chairperson | Non-Executive Independent Director |
| Sony Kumari | Member | Non-Executive Independent Director |
| Rajinder Kumar Anand | Member | Non-Executive Independent Director |

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

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. 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.
5. 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.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on March 12, 2022. As on the date of this Draft Red Herring Prospectus the Stakeholders' Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------------------|
| Vishal Dugar | Chairperson | Non-Executive Independent Director |
| Sandeep Bansal | Member | Managing Director |
| Surinder Singh | Member | Whole Time Director |

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

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

| | |
|---|---|
| Name | : Mr. Sandeep Bansal |
| Designation | : Managing Director |
| Date of Appointment | : 10/03/2022 |
| Expiration of Term | : 31/10/2023 |
| Qualification | : Master of Business Administration (MBA) |
| Previous Employment | : Not Applicable |
| Overall Experience | : He is Promoter and Managing Director of our Company. He has more than 30 years in the business field and is running our company since incorporation. He is a proven influencer & negotiator and has pragmatic approach of getting the required results. He has a power track record through his leadership vision and understanding of legal, regulatory, information security and compliance requirements of the industries. |
| Remuneration paid in F.Y. 2020-21) | : He received a remuneration of ₹ 40,000/-Per month in the capacity of Director in FY 2020-21. |

| | |
|---|--|
| Name | : Mr. Dinesh Kumar Dhanda |
| Designation | : Whole Time director |
| Date of Appointment | : 18/02/2021 |
| Period | : From 20/05/2021 To 19/05/2022 |
| Qualification | : Bachelor's in commerce |
| Previous Employment | : Not Applicable |
| Overall Experience | : He is a Whole Time Director of our Company. He was originally appointed as Whole Time Director on the Board on May 16,2017. He has experience of more than 37 years working in different industries i.e. Makerian Papers Limited (Oswal Group), Vallabh Steels Ltd, Chadha Papers Ltd, R.C. Group of Colleges, Ralson Castings Ltd etc. He manages the entire production of our Company. |
| Remuneration paid in F.Y. 2020-21) | : He received a remuneration of ₹. 40,000/- per month in the capacity of Director in FY 2020-21. |

| | |
|---|--|
| Name | : Mr. Surinder Singh |
| Designation | : Whole Time director |
| Date of Appointment | : 25/11/2021 |
| Period | : From 25/11/2021 To 24/11/2022 |
| Qualification | : Graduate |
| Previous Employment | : Not Applicable |
| Overall Experience | : He is a Whole Time Director of our Company, he has over 4 decades of experience in industry. Since 1973-2011, he worked in Punjab Govt (Industry Dept.) till his retirement. From 2012, he worked with private sector industries |
| Remuneration paid in F.Y. 2020-21) | : He received a remuneration of ₹. 40,000/- per month in the capacity of Director in FY 2020-21. |

| | |
|---|---|
| Name | : Mr. Gulshan Rai |
| Designation | : Chief Financial Officer |
| Date of Appointment | : 01/03/2022 |
| Qualification | : Chartered Accountant |
| Previous Employment | : N. A |
| Overall Experience | : He is the Chief Financial Officer of the company. He has vast experience of more than 30 years. He is responsible for the work relates to Accounting, Finance, Taxation and Banking field of our Company. |
| Remuneration paid in F.Y. 2020-21) | : Mr. Gulshan Rai is appointed as Chief Financial Officer with effect from March 01, 2022. Therefore, He has not received any remuneration in the F.Y 2020-21. |

| | |
|---|--|
| Name | : Ms. Banani Sikdar |
| Designation | : Company Secretary & Compliance Officer |
| Date of Appointment | : September 02, 2002 |
| Qualification | : Company Secretary |
| Previous Employment | : N. A |
| Overall Experience | : She is Company Secretary and Compliance Officer of our company, who is appointed on September 02, 2002, having more than 20 years of experience in the company. |
| Remuneration paid in F.Y. 2020-21) | : Mrs. Banani Sikdar appointed as Company Secretary on September 02, 2022. She received a remuneration of ₹. 50,000/- in F.Y 2020-21 in the capacity of Company Secretary. |

Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

Family Relationship Between Key Managerial Personnel

Except the following, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

| Sr. No. | Name of the KMP | Relationship with other KMP |
|------------|-----------------|-----------------------------|
| <i>Nil</i> | | |

Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

Contingent and Deferred Compensation Payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Shareholding of the Key Managerial Personnel

Except Mr. Sandeep Bansal who is holding 39,49,908 Equity Shares of the Company none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Interest of Key Managerial Personnel

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Changes in Our Company's Key Managerial Personnel During the Last three Years

Following have been the changes in the Key Managerial Personnel during the last three years:

| Sr. No. | Name of Director | Date of Joining | Reason for Change |
|---------|---------------------|-------------------|---|
| 1 | Sandeep Bansal | March 10, 2021 | Change in Designation from Whole Time Director to Managing Director |
| 2 | Dinesh Kumar Dhanda | March 10, 2021 | Appointment as Whole Time Director |
| 3 | Gulshan Rai | March 01, 2021 | Appointment as Chief Financial Officer |
| 4 | Dinesh Kumar Dhanda | May 20, 2021 | Appointment as Whole Time Director |
| 5 | Surinder Singh | November 25, 2021 | Appointment as Whole Time Director |
| 6 | Dinesh Kumar Dhanda | May 20, 2020 | Appointment as Whole time Director |
| 7 | Devki Nandan Bansal | February 22, 2020 | Cessation from Managing Director |
| 8 | Dinesh Kumar Dhanda | May 20, 2019 | Appointment as Whole time Director |

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

Scheme of Employee Stock Options or Employee Stock Purchase

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

Loans to Key Managerial Personnel

There are no loans outstanding against the key managerial personnel other than the loan mentioned in the chapter -Restated Financial statement page no. 161.

Payment of Benefits To Officers of Our Company (Non-Salary Related)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled "*Financial Information*" and the chapter titled "*Our Business*" beginning on pages 159 and 102 of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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OUR PROMOTERS AND PROMOTER GROUP

OUR INDIVIDUAL PROMOTER

1. Sandeep Bansal
2. Geeta Devi Agarwal
3. Anupama Bansal
4. Shaswat Bansal

DETAILS OF OUR INDIVIDUAL PROMOTER

1. Sandeep Bansal

| | |
|---|--|
|  | <p>Mr. Sandeep Bansal, aged 51 years, is a Promoter cum Managing Director of our Company. He holds degree in Master of Business Administration (MBA) in Management from Fore School of Management University. He was originally appointed on the Board on March 26, 1990 as the Whole Time Director of the Company. He has experience of around 30 years in our Industry. He is responsible for the expansion and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company.</p> |
|---|--|

| Particulars | Details |
|--------------------------|--|
| Permanent Account Number | AAFPB3424Q |
| Passport No. | Z2000401 |
| Aadhar No. | 2828-4753-1997 |
| Bank Account Details | Name of the Bank- Bandhan Bank Account No: 50180016218326 |

2. Geeta Devi Aggarwal

| | |
|---|---|
|  | <p>Mrs. Geeta Devi Aggarwal, aged 76 years, is a promoter of our Company. She has no formal educational degree</p> |
|---|---|

| Particulars | Details |
|--------------------------|---|
| Permanent Account Number | AADPA9048F |
| Passport No. | L7782443 |
| Aadhar No. | 6384-5386-3028 |
| Bank Account Details | Name of the Bank- Bandhan Bank Account No: 501840026273524 |

3. Anupama Bansal

| | |
|---|--|
|  | <p>Mrs. Anupama Bansal, aged 48 years, is a promoter of our Company. She holds degree in MBA from International Management Institute. She was appointed on the Board on February 25, 2000 as director of the Company & resigned from directorship w.e.f. February 2, 2020. She has experience of 20 years in our industry and managed the entire administration/functioning of the Company</p> |
|---|--|

| Particulars | Details |
|--------------------------|--|
| Permanent Account Number | AEOPB1261N |
| Passport No. | K7697187 |
| Aadhar No. | 3248-4742-3613 |
| Bank Account Details | Name of the Bank- Bandhan Bank Account No: 50180026273224 |

4. Shaswat Bansal

| | |
|--|--|
|  | <p>Mr. Shaswat Bansal, age 21 years, is a promoter of our Company. He is doing Bachelor's of Arts from University of California, Berkeley.</p> |
|--|--|

| Particulars | Details |
|--------------------------|--|
| Permanent Account Number | FMWPB5133C |
| Passport No. | R9635274 |
| Aadhar No. | 8660-6717-3536 |
| Bank Account Details | Name of the Bank- Bandhan Bank Account No: 50190025233099 |

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

a) Individual Promoter

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

| Sr. No. | Relationship | Sandeep Bansal | Anupama Bansal | Geeta Devi Aggarwal | Shaswat Bansal |
|---------|--------------|---------------------|--------------------|---------------------|------------------|
| 1. | Father | Lt. Sh. D N Bansal | Surender Pal Gupta | Lt. Sh. B C Jindal | Sandeep Bansal |
| 2. | Mother | Geeta Devi Aggarwal | Geeta Devi | Meena Devi | Anupama Bansal |
| 3. | Spouse | Anupama Bansal | Sandeep Bansal | Lt. D N Bansal | N.A. |
| 4. | Brother | Praveen Bansal* | Gopal | S S Jindal | Samanyu Bansal |
| | | | Vinod | D P Jindal | |
| 5. | Sister | Savita Goyal | Uma | Gayatri | Yashika Aggarwal |
| | | Ranjana Saraf | | Sunita | |

| | | | | | |
|-----|----------------|--------------------|---------------------|---------------------|------|
| | | | | Darshana | |
| | | | | Manju | |
| 6. | Son | Shashwat Bansal | Shashwat Bansal | Praveen Bansal* | N.A. |
| | | Samanyu Bansal | Samanyu Bansal | Sandeep Bansal | |
| 7. | Daughter | Yashika Bansal | Yashika Bansal | Savita Goyal | N.A. |
| | | | | Ranjana Saraf | |
| 8. | Spouse Father | Surender Pal Gupta | Lt. Sh. D N Bansal | Lt. Sh. Gopi Ram | N.A. |
| 9. | Spouse Mother | Geeta Devi | Geeta Devi Aggarwal | Lt. Shanti Devi | N.A. |
| 10. | Spouse Brother | Gopal | Praveen Bansal* | Lt. Subhash Chandra | N.A. |
| | | Vinod | | Kishan Gopal | |
| 11. | Spouse Sister | Uma | Savita Goyal | Krishna | N.A. |
| | | | Ranjana Saraf | Santosh | |
| | | | | Darshana | |

* Note: Mr. Praveen Bansal has been disclosed as a part of Our Promoter Group, on the basis of their immediate relationship with the Promoters. However, such person do not maintain any cordial relations with the company or its promoters. Neither have they entered into any financial transaction with us, nor have any interest in any business activity of our company. Therefore we have not received their consents for their name to be included in Promoter Group of our company.

b) Companies and proprietorship firms forming part of our Promoter Group are as follows:

| Relationship with Promoter | Individual Promoter | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Sandeep Bansal | Anupama Bansal | Geeta Devi Aggarwal | Shashwat Bansal |
| Any company in which 20% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member | GDA Finvest & Trade Private Limited |
| | 56,660 | 1,00,000 | 2,87,359 | 1,39,300 |
| | 5.73% | 10.12% | 29.08% | 14.09% |
| Any company in which a company (mentioned above) holds 20% of the total holding | N.A. | N.A. | N.A. | N.A. |
| Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 20% of the total holding | S.K. Bansal & Sons HUF | N.A. | N.A. | N.A. |

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.

Our Promoters have confirmed that they have not been identified as willful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters 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.

COMMON PURSUITS OF OUR PROMOTERS

None of the Promoter Group Entity is having business objects similar to our business as mentioned in the Chapter "Our Group Entities" beginning on page 154 of the Draft Red Herring Prospectus except the below mentioned Promoter Group

Entities:

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our Promoters are Mr. Sandeep Bansal, Mrs. Geeta Devi Agarwal, Mrs. Anupama Bansal and Mr. Shaswat Bansal. Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by Our Company in last two years or proposed to be acquired by our Company.

Interest as Member of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group together hold 1,49,87,280 Equity Shares of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters does not hold any other interest in our Company.

Payment Amounts or Benefit to Our Promoters during the Last Two Years

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on page 102, 161 and 47 respectively of this Draft Red Herring Prospectus. Further as on the date of this Draft Red Herring Prospectus, there is no bonus or profit sharing plan for our Promoters.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "Outstanding Litigation and Material Developments" on page 200 of this Draft Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

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Our Group Entities

Below mentioned are the details of Companies / Entities promoted by the Promoters of our Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

A. *Our Promoter Group Companies include:*

1. **GDA FINVEST & TRADE PRIVATE LIMITED**

Corporate Information

GDA Finvest & Trade Private Limited was incorporated on March 31, 1995 under Companies Act, 1956. The registered office of the company is situated at Plot No-32, 1st Floor, Road No-1, Punjabi Bagh, New Delhi, West Delhi-110026. The Corporate Identification Number is U74899DL1995PTC066980.

The Company is engaged in business of investments in all aspects. It acts as dealers in shares, stocks etc, portfolio investment in equity shares, stocks etc. It also undertakes bills financing, re-discounting of bills and to lend, advance or give credit to any person, and shall not do any banking activities.

Board of Directors

The Directors of GDA Finvest & Trade Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

| <i>Name</i> | <i>Designation</i> |
|----------------------------|--------------------|
| <i>Geeta Devi Aggarwal</i> | <i>Director</i> |
| <i>Sunil Kumar Sharma</i> | <i>Director</i> |

Shareholding Pattern

The Shareholding Pattern of GDA Finvest & Trade Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

| <i>Name of shareholder</i> | <i>No. of shares</i> |
|-------------------------------------|----------------------|
| Aggarwal Assignment Private Limited | 48,000 |
| Ambarjun Finance & Investment Ltd | 40,000 |
| Ankur Shah | 10,000 |
| Anupama Bansal | 1,00,000 |
| Geeta Devi Aggarwal | 2,87,359 |
| Krishan Kumar Gupta | 5,000 |
| Media ventures Private Limited | 1,51,666 |
| Narayan Aggarwal | 7,000 |
| O.P Agarwal | 2,510 |
| Prabhu Fincee Private Ltd | 20,000 |
| Prabhu Finhold Private Ltd | 40,000 |
| Praveen Kumar HUF | 50 |
| Rajesh Agarwal | 4,000 |
| S.I Financial services Ltd | 62,500 |
| Sandeep Bansal | 56,660 |
| Sandeep Kumar Bansal HUF | 10,050 |
| Shashwat Bansal | 1,39,300 |
| Vinod Ahuja | 50 |
| Yogesh Goyal | 4,000 |
| TOTAL | 9,88,145 |

Financial Performance

The Financial Performance of GDA Finvest & Trade Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

(Amount in Lakhs)

| <i>Particulars</i> | <i>March 31, 2021</i> |
|--|-----------------------|
| Equity capital | 98.81 |
| Reserves and surplus (excluding revaluation) | 168.62 |
| Total Income | 0.36 |
| Profit/(Loss) after tax | (2.40) |
| Earnings per share (Rs.) (Basic) | (0.24) |
| Earnings per share (Rs.) (Diluted) | (0.24) |
| Net Worth | 267.44 |
| Net asset value per share (Rs.) | 27.06 |

Other Group Entities

The details of our Group entities are provided below:

1. S.K. Bansal & Sons HUF

| | |
|--------------------------|---|
| <i>Particulars</i> | S.K. Bansal & Sons HUF |
| <i>Karta</i> | <i>Mr. Sandeep Bansal</i> |
| <i>Operational Since</i> | <i>Operational since February 22, 1996</i> |
| <i>Work Address</i> | <i>2/60, Punjabi Bagh, New Delhi-110026</i> |

| <i>S. No</i> | <i>Particulars</i> | <i>Status</i> |
|--------------|-----------------------|---------------|
| <i>1.</i> | <i>Sandeep Bansal</i> | <i>Karta</i> |

Financial Performance of last three years is mentioned below:

(Amount in lakhs)

| <i>Particulars</i> | <i>For the year Ended</i> |
|--|---------------------------|
| | <i>March 31, 2021</i> |
| <i>Income from Salary</i> | - |
| <i>Income from house property</i> | - |
| <i>Income from business and profession</i> | 7.20 |
| <i>Income from capital gains</i> | - |
| <i>Income from other sources</i> | 0.06 |
| <i>Total</i> | 7.26 |
| <i>Tax paid/Tax refund</i> | 0.003 |

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the group entities have negative net worth as on the date of this Draft Red Herring Prospectus.

Further, our company or our group entity or any entity promoted by the promoters, has not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and not been proceeded against by SEBI or other regulatory authority in connection with investor related issues or otherwise.

INTEREST OF OUR GROUP ENTITIES

None of our Group Entities are interested in the promotion of our Company. Except as disclosed in the section titled "Restated Financial Statements" beginning on page 161 of the Draft Red Herring Prospectus and to the extent of their shareholding in our Company, our Group Entities do not have any other interest in our Company.

SICK COMPANIES / WINDING UP

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' beginning on page 200 of this Draft Red Herring Prospectus.

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

None of our Promoters have disassociated themselves from any of the companies / partnership firms during preceding three years except:

1. Geeta Devi Aggarwal

| CIN | Company | Date of Disassociation |
|-----------------------|-----------------------------------|------------------------|
| U70109HR2016PTC064231 | Terraqua Infracon Private Limited | 24/08/2021 |

SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

There is no sale purchase between our Company and Group Entities except as mentioned in Annexure VIII Related Party Disclosures under the chapter titled "Financial Statement" beginning on page 161 of this Draft Red Herring Prospectus.

COMMON PURSUITS

There are no common pursuits among our Company and Group Entities or any objects similar to that of our Company's business

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RELATED PARTY TRANSACTION

For details on related party transaction of our Company, please refer to Annexure VIII of Restated Financial statement beginning on page 161 of this Draft Red Herring Prospectus.

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DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

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

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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SECTION VI – FINANCIAL INFORMATION

INDEPENDENT AUDITOR’S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors,
Swastik Pipe Limited
Address: 2, Arihant Nagar, Punjabi Bagh (W),
New Delhi 110026
Dear Sir,

1. We have examined the attached Restated Financial Information of **Swastik Pipe Limited** comprising the Restated Statement of Asset and Liabilities for the period ended on 30th November, 2021 & as at 31st March, 2021, 31st March, 2020 and 31st March 2019, the Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the period ended on 30th November, 2021 & year ended on 31st March, 2021, 31st March 2020 and period ended on 31st March 2019, 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 Red Herring Prospectus (“DP/Prospectus”) prepared by the Company in connection with its proposed 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”);
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus to be filed with the stock exchanges where the equity shares of the Company are proposed to be listed, in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 to the Restated Financial Information.

The Board of Directors of the Company are responsibility for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the 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 you in accordance with our engagement letter in connection with the proposed 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;
- 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:

a. Audited financial statements of the Company as at and for the period ended 30th November, 2021, 31st March, 2021, 31st March 2020 and period ended on 31st March 2019 prepared in accordance with the Accounting Standards (referred to as “AS”) as prescribed under Section 133 of the Act, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors.

5. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective periods/years, we report that the Restated Financial Information:

a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31st March, 2021, 31st March 2020 and period ended on 31st March 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended 30th November 2021.

b. does not contain any qualifications requiring adjustments.

c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

6. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Company Auditor’s, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

8. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus to be filed with Stock exchanges in connection with the proposed 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.

For O. Aggarwal & Co.
Chartered Accountants
(Firm Registration No.005755N)

OP Aggarwal
Partner
Membership No.: 083862
UDIN: 22083862AFTTMZ1120
Place: New Delhi
Date: March 12, 2022

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt in Lakh)

| Particulars | | Note No. | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|-------------|--|----------|-------------------------|----------------------|----------------------|----------------------|
| I. | EQUITY AND LIABILITIES | | | | | |
| (1) | Shareholders' Funds | | | | | |
| | (a) Share Capital | I.1 | 1,297.46 | 920.10 | 920.10 | 920.10 |
| | (b) Reserves and Surplus | I.2 | 10,034.26 | 7,209.42 | 7,060.78 | 8,450.03 |
| (2) | Non-Current Liabilities | | | | | |
| | (a) Long-Term Borrowings | I.3 | 4,232.93 | 7,648.16 | 5,686.62 | 6,080.17 |
| | (b) Other Long-term Liabilities | I.4 | 50.27 | 105.14 | 121.83 | 126.65 |
| | (c) Deferred tax liabilities (Net) | I.5 | 423.19 | 320.22 | 240.75 | 931.72 |
| | (d) Long-term Provisions | I.6 | 100.07 | 95.02 | 170.24 | 166.75 |
| (3) | Current Liabilities | | | | | |
| | (a) Short Term Borrowings | I.7 | 9,878.25 | 11,959.71 | 14004.00 | 13967.64 |
| | (b) Trade Payables | I.8 | | | | |
| | (i) Total Outstanding dues of Micro and Small Enterprises and | | - | - | - | - |
| | (ii) Total Outstanding dues other than Micro and Small Enterprises | | 6,443.73 | 4,864.96 | 4,727.89 | 4,442.26 |
| | (c) Other Current Liabilities | I.9 | 649.96 | 495.99 | 707.48 | 509.83 |
| | (d) Short-Term Provisions | I.10 | 15.25 | 7.17 | 11.07 | 12.50 |
| | Total | | 33,125.38 | 33,625.89 | 33,650.76 | 35,607.65 |
| II. | ASSETS | | | | | |
| (1) | Non-current assets | | | | | |
| | (a) Property, Plant and Equipment and Intangible assets | | | | | |
| | (i) Property, Plant and Equipment | I.11 | 6,953.14 | 7,094.93 | 7,319.04 | 7,320.38 |
| | (ii) Intangible assets | I.12 | 8.27 | 12.49 | 18.82 | - |
| | (iii) capital Work in Progress | | 104.62 | - | - | 18.00 |
| | (b) Non-Current Investments | I.13 | 10.08 | 10.08 | 10.08 | 10.08 |
| | (d) Other Non-Current Assets | I.14 | 754.21 | 804.21 | 762.01 | 718.60 |
| (2) | Current assets | | | | | |
| | (a) Inventories | I.15 | 6,248.60 | 6,938.25 | 9,228.68 | 10,080.97 |
| | (b) Trade Receivables | I.16 | 14,997.49 | 14,835.54 | 12,338.07 | 12,881.36 |
| | I Cash and Cash Equivalents | I.17 | 734.87 | 687.08 | 866.71 | 793.62 |
| | (d) Short-Term Loans and Advances | I.18 | 2,005.09 | 1,739.79 | 1,523.78 | 2,035.39 |
| | I Other Current Assets | I.19 | 1,309.01 | 1,503.50 | 1,583.51 | 1,749.25 |
| | Total | | 33,125.38 | 33,625.88 | 33,650.76 | 35,607.65 |

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RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Lakh)

| Particulars | Note No. | For the 8 month period ended 30 November, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|--|----------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| I. Revenue from operations | II.1 | 38,323.49 | 52,217.95 | 65,551.95 | 72,263.00 |
| II. Other Income | II.2 | 278.15 | 166.85 | 255.26 | 493.38 |
| III. Total Income (I +II) | | 38,601.64 | 52,384.80 | 65,807.21 | 72,756.38 |
| IV. Expenses: | | | | | |
| (a) Cost of material Consumed | II.3 | 31,208.06 | 39,945.18 | 50,759.97 | 59,136.72 |
| (b) Purchases of stock-in-trade | II.4 | 2,024.16 | 3,488.86 | 7,922.30 | 5,558.62 |
| I Changes in stock-in-trade | II.5 | 685.91 | 2,057.21 | 35.57 | (1,142.42) |
| (d) Employee benefits expenses | II.6 | 785.28 | 1,102.64 | 1,804.47 | 1,562.37 |
| I Finance costs | II.7 | 1,293.35 | 2,285.93 | 2,879.89 | 2,451.79 |
| (f) Depreciation and 162 apitalized 162 expenses | II.8 | 283.56 | 425.75 | 414.41 | 374.86 |
| (g) Other expenses | II.9 | 2,016.16 | 2,851.12 | 4,070.82 | 4,179.09 |
| Total Expenses | | 38,296.48 | 52,156.69 | 67,887.43 | 72,121.03 |
| V. Profit before Exceptional and Extraordinary Items and Tax (III – IV) | | 305.16 | 228.11 | (2,080.22) | 635.35 |
| VI. Exceptional Items & Extraordinary Items | | - | - | - | - |
| VII. Profit before tax (V+VI) | | 305.16 | 228.11 | (2,080.22) | 635.35 |
| VIII. Tax expense: | | | | | |
| (i) Current tax | | 50.64 | 37.45 | - | 132.69 |
| (ii) Mat Credit Entitlement | | (50.64) | (37.45) | - | (48.33) |
| (iii) Deferred tax | | 102.97 | 79.47 | (690.97) | 83.02 |
| Total Tax Expense | | 102.97 | 79.47 | (690.97) | 167.38 |
| IX. Profit/ (Loss) for the period (VII-VIII) | | 202.19 | 148.64 | (1,389.25) | 467.97 |
| X. Earnings per equity shares (of ₹. 10/- each) | | | | | |
| (i) Basic | II.12 | 1.46 | 1.37 | (12.80) | 4.33 |
| (ii) Diluted | II.12 | 1.46 | 1.37 | (12.80) | 4.33 |

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RESTATED CASH FLOW STATEMENT

(Amt in Lakh)

| Particulars | For the period ended 30 November, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|---|---|--|--|--|
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit Before Tax | 305.16 | 228.11 | (2,080.22) | 635.35 |
| Adjustments for: | | | | |
| Depreciation & Amortization expense | 283.56 | 425.75 | 414.41 | 374.86 |
| Interest expense on borrowings | 1,293.35 | 2,285.93 | 2,879.89 | 2,451.79 |
| Provision for Gratuity | 14.49 | 11.05 | 28.88 | 36.69 |
| Net (gain)/ loss on sale of Plant & Equipment | - | 6.80 | 1.14 | (194.11) |
| Interest Income | (25.69) | (41.38) | (47.68) | (25.24) |
| Operating Profit before Working Capital Changes | 1,870.87 | 2,916.26 | 1,196.42 | 3,279.34 |
| Adjustments for: | | | | |
| Increase/(decrease) in trade payables | 1,578.77 | 137.07 | 285.63 | (307.10) |
| Increase/(decrease) in other current liabilities | 153.95 | (211.48) | 191.94 | (67.34) |
| Increase/(decrease) in other non current liabilities | (54.87) | (16.69) | (4.82) | (5.02) |
| Decrease/(increase) in loans and advances | (265.30) | (216.01) | 511.61 | (760.19) |
| Decrease/(increase) in trade receivables | (161.95) | (2,497.47) | 543.29 | (3,213.42) |
| Decrease/(increase) in inventories | 689.65 | 2,290.43 | 852.29 | (927.66) |
| Decrease/(increase) in other non current assets | 50.00 | (42.20) | (43.41) | 6.04 |
| Decrease/(increase) in other current assets | 123.77 | 131.47 | 199.38 | (65.62) |
| Decrease/(increase) Other Bank Balances | (52.12) | 158.26 | (121.53) | (11.67) |
| Gratuity Paid | (8.89) | (90.17) | (26.82) | (25.63) |
| Cash generated from operations | 3,923.88 | 2,559.47 | 3,589.69 | (2,098.27) |
| Income taxes refunded/ (paid) | 78.30 | (51.43) | (33.70) | (156.77) |
| Net cash flow from operations (A) | 4,002.17 | 2,508.04 | 3,555.98 | (2,255.04) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of property, plant & equipment and Intangible assets | (242.17) | (228.62) | (421.96) | (525.81) |
| Sale of property, plant & equipment | 0.00 | 26.51 | 6.94 | 268.48 |
| Interest Income | 25.69 | 41.38 | 47.68 | 25.24 |
| Net cash flow from/ (used in) investing activities (B) | (216.48) | (160.73) | (367.34) | (232.09) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from issue of equity shares | 3,000.02 | - | - | 90.74 |
| Proceeds/ (Repayment) of Long-Term Borrowings (Net) | (2,998.71) | 1,719.01 | (473.89) | 4,379.46 |
| Proceeds/ (Repayment) of Short-Term Borrowings (Net) | (2,497.98) | (1,801.76) | 116.70 | (1,197.75) |
| Interest Paid | (1,293.35) | (2,285.93) | (2,879.89) | (2,451.79) |
| Net cash flow from/ (used in) financing activities I | (3,790.03) | (2,368.68) | (3,237.08) | 820.66 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (4.33) | (21.37) | (48.44) | (1,666.47) |
| Cash and cash equivalents at the beginning of the period/ year | 20.30 | 41.67 | 90.11 | 1,756.58 |
| Cash and cash equivalents at the closing of the period/ year | 15.97 | 20.30 | 41.67 | 90.11 |
| a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note I.17): | | | | |
| Particulars | For period ended November 30, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |

| | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|
| Cash in hand | 3.00 | 3.42 | 6.00 | 15.38 |
| Cheque in hand | - | 2.50 | - | 35.00 |
| Balances with banks in Current Assets | 12.96 | 14.38 | 35.67 | 39.73 |
| Total | 15.97 | 20.30 | 41.67 | 90.11 |

For O. Aggarwal & Co.
Chartered Accountants
(Firm Registration No.005755N)

OP Aggarwal
Partner
Membership No.: 083862
UDIN: 22083862AFTTMZ1120
Place: New Delhi
Date: March 12, 2022

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ANNEXURE-IV**SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS**

(All amount in Indian Rupees in Lakhs, unless otherwise stated)

1. Disclosure in Accounting Policies

- a. Company is engaged in the business of Manufacturing of ERW Black Pipe, Galvanized Steel Tubes, Cold Rolled Strips, S.T. Poles, Solar Mounting Structures, etc.
- b. The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2014, the provisions of the Companies Act, 2013. 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. The management evaluates all recently issued or revised accounting standards on an on-going basis. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.
- c. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2. Valuation of inventories

- a. Stock of Raw Materials, Stores and spare parts are valued at cost;
- b. Stock of Finished goods and semi-finished goods are valued at cost or net realizable value whichever is lower.
- c. Waste and scraps are accounted at estimated realizable value.

3. Cash Flow Statement

Cash flows are reported using 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 flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and FDRs & margin money with bank.

4. Contingencies and events occurring after Balance Sheet Date

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes to accounts when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote. Contingent Assets are not recognized in the Financial Statements.

5. Net profit or loss for the period, prior period items and changes in accounting policies

- a. Net Profit or loss for the period and prior period items are shown separately in the Statement of Profit & Loss wherever applicable.
- b. Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods
- c. Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly.

6. Revenue Recognition

- a. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b. Sales of Goods are accounted for when the sales of goods are completed on accrual basis on completion of transactions of sales on delivery / passage of title to the customer which generally coincides with delivery. Sales shown in the Statement of Profit & Loss are excluding GST.

- c. Commodities Transactions revenue is 166apitalize as and when transaction is completed and there is no uncertainty exists regarding its ultimate collection.
- d. Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.
- e. Dividend from investment is recognized on received basis.
- f. Exports benefits are accounted for on accrual basis.
- g. Insurance claim is 166apitalize on receipt basis.

7. Accounting for Property, Plant & Equipment

Tangible Assets

- a. Property, Plant & Equipment are stated at cost less accumulated depreciation. Cost includes all incidental expenditure net of all input tax credit availed wherever applicable.
- b. Depreciation on Property, Plant & Equipment is provided for based on useful lives of the Assets as given in Part – C of Schedule II to the Companies Act, 2013.
- c. Depreciation in respect of additions/ deductions of assets has been charged on pro rata basis with reference to the period of use of such assets.
- d. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

Intangible Assets

- a. Intangible assets are measured on initial recognition at Cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.
- b. The Intangible assets with a finite useful life, but not exceeding ten years, are amortized using straight line method over their estimated useful lives. The estimated useful life is reviewed annually by the management.

Capital Work In Progress

- a. Assets, tangible or intangible, are not ready for their intended use are to be disclosed under Capital Work-in Progress.

8. Accounting for the effects in foreign exchange rates

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions. Exchange gain/Loss on settlement & on conversion of monetary items denominated in foreign currency are dealt in profit & Loss account. Further foreign debtors & creditors are revalued at exchange rates prevailing at the date of balance sheet.

9. Accounting for Investments

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realization of the investments.

10. Employee Benefits

Liability in respect of retirement benefits is provided and/or funded and charged to Profit & loss A/c as follows:

- a. Provision for contribution to defined contribution plan, 166apitalize as expenses during the year as under.
- b. Gratuity is accounted for on actuarial valuation basis.
- c. The obligation for Leave Encashment 166apitalize, provided for and paid on yearly basis.

11. Borrowing Cost

- a. Borrowing costs directly attributable to the acquisition or construction of qualifying assets are 166apitalized as part of the cost of asset upto the date when such asset is ready for its intended use.
- b. Borrowing costs include interest; amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- c. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

12. Segment Reporting

A reportable segment is a business segment or a geographical segment identified on the basis of foregoing definitions for which segment information is required to be disclosed by this Standard.

The basic factor for Business segment is the nature of the products for the Company. Which is a distinguishable component that is engaged in providing an individual product or a group of related products and that is subject to risks and returns that are different from those of other business segments or as a whole Business.

The basic factor Geographical segment, for the Company, is relationships between operations in different geographical

areas in terms of India and Outside India., which is a distinguishable component that is engaged in providing products or within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

13. Earnings per share

Basic and Diluted Earning per Share are computed in accordance with AS 20-Earning Per Share. Basic earnings per Equity Share is computed by dividing net profit after tax by the weighted average number of Equity Shares outstanding during the year. The Diluted Earning per Share is computed using the weighted average number of Equity Shares and Diluted Potential Equity Shares outstanding during the year.

14. Accounting for taxes on income

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with Income Tax Act, 1961.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Minimum alternative Tax under the provisions of Income Tax Act,1961 is recognized as per Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, issued by Institute of Chartered Accountants of India. The credit available under the Act in respect of MAT is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during any period for which the mat credit can be carried forward for set off against the normal tax liability.

15. Provisions, contingent liabilities, and contingent assets

- a. Provisions are made for present obligations arising as a result of past events and it is probable that an outflow of resources will be required to settle the obligation.
- b. Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.
- c. Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts.

16. Research & Development Expenses

- a. Development and improvement of product is an in-built on going activity within the existing manufacturing facilities.
- b. Expenditure on Research & development is not separately allocated and identified.

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I.1.1 Equity Share Capital

| Particulars | As at Nov. 30, 2021 | As at Mar 31, 2021 | As at Mar 31, 2020 | As at Mar 31, 2019 |
|--|---------------------|--------------------|--------------------|--------------------|
| Share Capital | | | | |
| Authorized Share Capital Equity shares of ₹.100 each: 14,25,000 (March 31, 2021: 10,00,000; March 31, 2020: 10,00,000; March 31, 2019: 10,00,000) | 1,425 | 1,000 | 1,000 | 1,000 |
| Issued, subscribed & paid up Share Capital Equity shares of ₹.100 each: 12,97,460 (March 31, 2021: 9,20,100; March 31, 2020: 9,20,100; March 31, 2019: 9,20,100) | 1,297.46 | 920.10 | 920.10 | 920.10 |

I.1.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

| Particulars | As at Nov. 30, 2021 | | As at March 31, 2021 | | As at March 31, 2020 | | As at Mar 31, 2019 | |
|---|---------------------|-----------------|----------------------|------------|----------------------|------------|--------------------|---------------|
| | Number | Amount | Number | Amount | Number | Amount | Number | Amount |
| Shares of ₹. 10 each fully paid | | | | | | | | |
| At the beginning of the year | 9,20,095 | 920 | 9,20,095 | 920 | 9,20,095 | 920 | 9,10,295 | 910.30 |
| Issued during the year | 3,77,360 | 377.36 | - | - | - | - | 9,800 | 9.80 |
| Outstanding at the end of the year | 12,97,455 | 1,297.46 | 9,20,095 | 920 | 9,20,095 | 920 | 9,20,095 | 920.10 |

I.1.3 Terms/ rights attached to Equity Shares

The company has one class of equity shares having a par value of ₹. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

I.1.4 Details of shareholders holding more than 5% of the equity shares in the company

| Name of Share Holder | As at Nov. 30, 2021 | | As at March 31, 2021 | | As at March 31, 2020 | | As at Mar 31, 2019 | |
|------------------------------|---------------------|-----------|----------------------|-----------|----------------------|-----------|--------------------|-----------|
| | No. of Shares | % Holding | No. of Shares | % Holding | No. of Shares | % Holding | No. of Shares | % Holding |
| Sandeep Bansal | 3,29,159 | 25.37% | 2,66,265 | 28.94% | 2,66,265 | 28.94% | 2,66,265 | 28.94% |
| Late Sh. Devki Nandan Bansal | - | - | 1,51,055 | 16.42% | 1,51,055 | 16.42% | 1,51,055 | 16.42% |
| Geeta Devi Agarwal | 6,16,001 | 47.48% | 1,50,480 | 16.35% | 1,50,480 | 16.35% | 1,50,480 | 16.35% |
| Anupama Bansal | 1,46,530 | 11.29% | 1,46,530 | 15.93% | 1,46,530 | 15.93% | 1,46,530 | 15.93% |
| GDA Finvest & Trade (P) Ltd | 67,300 | 5.19% | 67,300 | 7.31% | 67,300 | 7.31% | 67,300 | 7.31% |
| Shaswat Bansal | 50,000 | 3.85% | 50,000 | 5.43% | 50,000 | 5.43% | 50,000 | 5.43% |

Note: *Sh. D.N. Bansal founder of company had passed away on 22.02.2020. The loan amount including interest and company shares of Late Sh. D.N. Bansal has been transferred/ credited to legal heir during the period under audit as per family settlement agreement.

I.1.5 Details of Promoter shareholding

| Name of Shareholder | As at 30 Nov, 2021 (8 Months) | | As at 31 March, 2021 | | As at 31 March, 2020 | | As at 31 March, 2019 | |
|---|-------------------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|
| | No. of shares | % holding | No. of shares | % holding | No. of shares | % holding | No. of shares | % holding |
| Equity shares of Rs. 10 each fully paid-up | | | -767130 | 83.38% | -767130 | 83.38% | -767130 | 83.38% |

| | | | | | | | | |
|--|-------------|----------|--------|--------|--------|--------|--------|--------|
| Sandeep Bansal | 329159 | 25.37% | 266265 | 28.94% | 266265 | 28.94% | 266265 | 28.94% |
| Late Sh. Devki | | | 151055 | 16.42% | 151055 | 16.42% | 151055 | 16.42% |
| Nandan Bansal* | - | - | | | | | | |
| Smt Geeta Devi | 616001 | 47.48% | 150480 | 16.35% | 150480 | 16.35% | 150480 | 16.35% |
| Agarwal | | | | | | | | |
| Smt. Anupama Bansal | 146530 | 1129.00% | 146530 | 15.93% | 146530 | 15.93% | 146530 | 15.93% |
| Shaswat Bansal | 50000 | 5.19% | 50000 | 5.43% | 50000 | 5.43% | 50000 | 5.43% |
| S. K Bansal and Sons | | 0.22% | | 0.30% | | 0.30% | | 0.30% |
| | 2,800 | | 2,800 | | 2,800 | | 2,800 | |
| % change during the year/period | | | | | | | | |
| Sandeep Bansal | 62,894.00 | 4.85% | - | 0.00% | - | 0.00% | - | 0.00% |
| Late Sh. Devki | -151,055.00 | -11.64% | - | 0.00% | - | 0.00% | - | 0.00% |
| Nandan Bansal* | | | | | | | | |
| Smt Geeta Devi | 465,521.00 | 35.88% | - | 0.00% | - | 0.00% | - | 0.00% |
| Agarwal | | | | | | | | |
| Smt. Anupama Bansal | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| Shaswat Bansal | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| S. K Bansal and Sons | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |

RESTATED STATEMENT OF RESERVE & SURPLUS

 Note-I.2
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (a) General Reserves | | | | |
| At the beginning of the year | 7,737.81 | 7,737.81 | 7,737.81 | 7278.90 |
| Add: Transfer from statement of Profit & loss | - | - | - | 458.91 |
| Total(a) | 7,737.81 | 7,737.81 | 7,737.81 | 7,737.81 |
| (b) Securities Premium | | | | |
| At the beginning of the year | 712.22 | 712.22 | 712.22 | 712.22 |
| Add: received during the year | 2,622.65 | - | - | - |
| Total(b) | 3,334.87 | 712.22 | 712.22 | 712.22 |
| I Statement of Profit and Loss | | | | |
| At the beginning of the year | (1,240.61) | (1,389.25) | - | (9.06) |
| Add: Profit / (Loss) for the year | 202.19 | 148.64 | (1,389.25) | 467.97 |
| Less: Transfer to General Reserves | - | - | - | 458.91 |
| TotalII | (1,038.43) | (1,240.61) | (1,389.25) | - |
| Total | 10,034.26 | 7,209.42 | 7,060.78 | 8,450.03 |

RESTATED STATEMENT OF LONG TERM BORROWING

 Note-I.3
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---------------------------|-------------------------|----------------------|----------------------|----------------------|
| (Secured) | | | | |
| (a) Term Loans | | | | |
| From Banks | | | | |
| Indian Overseas bank | - | - | 36.90 | 92.75 |
| State bank of India | - | - | 31.25 | 116.61 |
| HDFC Limited | - | - | 2,885.90 | 2,680.85 |
| From NBFC | | | | |
| Northern Arc Capital Ltd. | 97.52 | 145.40 | 192.00 | 249.11 |
| (b) GECL Loan | | | | |

| | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| Indian Overseas bank | 480.00 | 480.00 | - | - |
| IndusInd bank | 1,605.00 | 1,605.00 | - | - |
| (c) Vehicle Loan: | | | | |
| <u>From Banks</u> | | | | |
| HDFC Limited | 132.22 | 72.45 | 154.64 | 115.55 |
| <u>From NBFC</u> | | | | |
| Tata Motors Finance Solutions Ltd. | - | - | 42.43 | 98.71 |
| Kotak Mahindra Prime Ltd | 9.86 | 14.29 | 18.91 | 23.02 |
| Total | 2,324.60 | 2,317.14 | 3,362.03 | 3,376.60 |
| Less: Current Maturities of Long Term Borrowings | 549.10 | 132.58 | 375.11 | 455.45 |
| Total(A) | 1,775.50 | 2,814.56 | 2,986.92 | 2,921.15 |
| (Unsecured) | | | | |
| From Directors | 203.76 | 3,302.83 | 562.61 | 593.91 |
| From Body corporates | | | | |
| From Related Party | 2.51 | 3.50 | 3.51 | 602.24 |
| From others | 2,251.16 | 2,157.27 | 2,133.58 | 1,962.87 |
| Total(B) | 2457.43 | 5,463.60 | 2,699.70 | 3,159.02 |
| Total(A+B) | 4,232.93 | 7,648.16 | 5,686.62 | 6,080.17 |

Note 1: Secured by second pari passu charge on Fixed Assets of Company, and also Land & Building at Asaudah, Kosi Unit, Offices at Asaf Ali Road & Punjabi Bagh of company and also second pari passu charge over current assets of the company.

Note 2: Secured by exclusive charge over specified movable assets at Kosi Kalan Plant and Personal Guarantee of Directors.

Note 3: Vehicle loans are secured by hypothecation of respective vehicles.

Note 4: There were no re-schedulement or default in the repayment of loans taken by the Company.

Note 5: Current Maturities of Long Term Borrowings is disclosed under the head "Other current liabilities."

RESTATED STATEMENT OF OTHER LONG TERM LIABILITIES

Note-I.4
(Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Unsecured | | | | |
| Security/Dealer Deposits from Agents and Dealers | 50.27 | 105.14 | 121.83 | 126.65 |
| Total | 50.27 | 105.14 | 121.83 | 126.65 |

RESTATED STATEMENT OF DEFERRED TAX LIABILITY (BALANCE SHEET)

Note -I.5
(Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Deferred tax liability | | | | |
| Property Plant and Equipment | 1,138.40 | 1,120.50 | 1077.23 | 1014.56 |
| Tax effect of items constituting deferred tax Liability | 1,138.40 | 1,120.50 | 1077.23 | 1014.56 |
| Deferred tax asset | | | | |
| Carried forward Loss and Unabsorbed Depreciation | 670.60 | 752.46 | 750.78 | - |
| Employee benefits and Other Expenses u/s 43B | 44.61 | 47.82 | 85.70 | 82.84 |
| Tax effect of items constituting deferred tax assets | 715.21 | 800.28 | 836.48 | 82.84 |
| Net deferred tax liability / (asset) | 423.19 | 320.32 | 240.75 | 931.72 |

RESTATED STATEMENT OF LONG TERM PROVISIONS

Note-I.6
(Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|-------------|-------------------------|----------------------|----------------------|----------------------|
|-------------|-------------------------|----------------------|----------------------|----------------------|

| | | | | |
|---------------------------------|---------------|--------------|---------------|---------------|
| Provision for Employee benefits | 100.07 | 95.02 | 170.24 | 166.75 |
| Total | 100.07 | 95.02 | 170.24 | 166.75 |

RESTATED STATEMENT OF SHORT TERM BORROWING

 Note – I.7
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (A) Secured, (Repayable on Demand) | | | | |
| Cash Credit- Banks | | | | |
| State bank of India | 6,312.46 | 8,444.13 | 8,516.95 | 7,770.76 |
| Indian Overseas Bank | 2,067.85 | 2,401.46 | 2,376.62 | 2,090.87 |
| IndusInd Bank | 984.84 | 981.54 | 684.05 | - |
| Channel Finance- NBFC | | | | |
| Tata Capital Financial Services Ltd. | - | - | 1,482.72 | 2,409.49 |
| (B) Unsecured, (Repayable on Demand) | | | | |
| Channel Finance- Banks | | | | |
| Yes Bank | - | - | 568.55 | 1,079.33 |
| Other NBFC | | | | |
| Tata Capital Financial Services Ltd. | - | - | - | 161.74 |
| Current Maturities of Long Term Borrowings | 549.10 | 132.58 | 375.11 | 455.45 |
| Total | 9,878.25 | 11,959.71 | 14,004.00 | 13,967.64 |

Terms of Loan:

Note 1: (Secured by Hypothecation of Stocks & Book debts, and First pari passu charge over entire fixed assets including equitable mortgage of Immovable properties of the company and further guaranteed by the Directors).

RESTATED STATEMENT OF TRADE PAYABLES

 Note-I.8
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (A) Trade Payables for Goods | | | | |
| (i) Micro enterprises and small enterprises | | - | - | - |
| (ii) Other than micro enterprises and small enterprises | 6,377.08 | 4,662.95 | 4,662.95 | 4,662.95 |
| (B) Trade Payables for Services | | | | |
| (i) Micro enterprises and small enterprises | | - | - | - |
| (ii) Other than micro enterprises and small enterprises | 66.65 | 202.01 | 101.94 | 186.30 |
| Total | 6,443.73 | 4,864.96 | 4,727.89 | 4,442.26 |

RESTATED STATEMENT OF OTHER CURRENT LIABILITIES

 Note-I.9
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|-------------------------|-------------------------|----------------------|----------------------|----------------------|
| Statutory dues | 221.18 | 87.31 | 60.45 | 41.88 |
| Advance from Customers | 279.40 | 282.57 | 323.67 | 176.68 |
| Other Expenses Payables | 149.38 | 126.11 | 323.36 | 291.27 |
| Total | 649.96 | 495.99 | 707.48 | 509.83 |

RESTATED STATEMENT OF SHORT TERM PROVISIONS

 Note-I.10
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|--|---------------------------------|---------------------------------|---------------------------------|
| (a) Provision for Income Tax (Net of advance tax) | 7.53 | - | - | - |
| (b) Provision for employee benefits | 7.72 | 7.17 | 11.07 | 12.50 |
| Total | 15.25 | 7.17 | 11.07 | 12.50 |

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RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT

 Note-I.11
 (Amt in Lakh)

| Particular | Land | Factory Shed | Office Building | Plant & Machinery | Furniture & Fixture | Vehicles | Office Equipmen t's | Electric Fittings | Computer s | Electric Equipmen t's | Total |
|-----------------------------|---------------|-----------------|-----------------|-------------------|---------------------|---------------|---------------------|-------------------|--------------|-----------------------|------------------|
| Gross Block | | | | | | | | | | | |
| As at April 01, 2018 | 185.38 | 1281.23 | 202.69 | 7834.15 | 56.56 | 678.58 | 73.86 | 18.23 | 83.62 | 74.96 | 10489.26 |
| Addition | 9.66 | 450.38 | - | 519.53 | - | 50.50 | 1.59 | - | 4.07 | - | 1035.73 |
| Deletion | 0.54 | 32.14 | 1.05 | 103.33 | - | 21.92 | - | - | - | - | 158.98 |
| As at March 31, 2019 | 194.50 | 1,699.47 | 201.64 | 8,250.35 | 56.56 | 707.16 | 75.45 | 18.23 | 87.69 | 74.96 | 11,366.01 |
| Addition | - | - | - | 316.25 | - | 97.79 | 3.07 | - | 2.86 | - | 419.97 |
| Deletion | - | - | - | - | - | 22.68 | - | - | - | - | 22.68 |
| As at March 31, 2020 | 194.50 | 1,699.47 | 201.64 | 8,566.60 | 56.56 | 782.27 | 78.52 | 18.23 | 90.55 | 74.96 | 11,763.30 |
| Addition | - | - | - | 205.92 | 5.92 | 15.47 | 1.31 | - | - | - | 228.62 |
| Deletion | - | - | - | - | - | 152.01 | - | - | - | - | 152.01 |
| As at March 31, 2021 | 194.50 | 1,699.47 | 201.64 | 8,772.52 | 62.48 | 645.73 | 79.83 | 18.23 | 90.55 | 74.96 | 11,839.91 |
| Addition | - | - | - | 125.91 | - | - | 9.28 | - | 2.36 | - | 137.55 |
| Deletion | - | - | - | - | - | - | - | - | - | - | 0 |
| As at Nov 30, 2021 | 194.50 | 1,699.47 | 201.64 | 8,898.43 | 62.48 | 645.73 | 89.11 | 18.23 | 92.91 | 74.96 | 11,977.46 |
| Depreciation | | | | | | | | | | | |
| As at April 01, 2018 | - | 408.25 | 45.19 | 2658.16 | 5234 | 373.66 | 64.48 | 17.32 | 68.61 | 67.37 | 3755.38 |
| for the year | - | 41.34 | 3.18 | 258.01 | 0.47 | 63.59 | 2.38 | - | 5.20 | 0.69 | 374.86 |
| Adjustments | - | 30.10 | 0.50 | 39.24 | - | 14.77 | - | - | - | - | 84.61 |
| As at March 31, 2019 | - | 419.49 | 47.87 | 2,876.93 | 52.81 | 422.48 | 66.86 | 17.32 | 73.81 | 68.06 | 4,045.63 |

| | | | | | | | | | | | |
|-----------------------------|---------------|-----------------|---------------|-----------------|--------------|---------------|--------------|--------------|--------------|--------------|-----------------|
| for the year | - | 52.10 | 3.51 | 281.07 | 0.33 | 67.79 | 2.17 | - | 5.57 | 0.70 | 413.24 |
| Adjustments | - | - | - | - | - | 14.61 | - | - | - | - | 14.61 |
| As at March 31, 2020 | - | 471.59 | 51.38 | 3,158.00 | 53.14 | 475.66 | 69.03 | 17.32 | 79.38 | 68.76 | 4,444.26 |
| | | | | | | | | | | | |
| for the year | - | 52.10 | 3.51 | 293.13 | 0.54 | 63.27 | 2.08 | - | 4.09 | 0.70 | 419.42 |
| Adjustments | - | - | - | - | - | 118.70 | - | - | - | - | 118.70 |
| As at March 31, 2021 | - | 523.69 | 54.89 | 3,451.13 | 53.68 | 420.23 | 71.11 | 17.32 | 83.47 | 69.46 | 4,744.98 |
| | | | | | | | | | | | |
| for the year | - | 34.75 | 2.34 | 199.67 | 0.70 | 38.36 | 1.81 | - | 1.24 | 0.47 | 279.34 |
| Adjustments | | | | | | | | | | | 0 |
| As at Nov 30, 2021 | - | 558.44 | 57.23 | 3,650.80 | 54.38 | 458.59 | 72.92 | 17.32 | 84.71 | 69.93 | 5,024.32 |
| | | | | | | | | | | | |
| As at March 31, 2019 | 194.50 | 1,279.98 | 153.77 | 5,373.42 | 3.75 | 284.68 | 8.59 | 0.91 | 13.88 | 6.90 | 7,320.38 |
| As at March 31, 2020 | 194.50 | 1,227.88 | 150.26 | 5,408.60 | 3.42 | 306.61 | 9.49 | 0.91 | 11.17 | 6.20 | 7,319.04 |
| As at March 31, 2021 | 194.50 | 1,175.78 | 146.75 | 5,321.39 | 8.80 | 225.50 | 8.72 | 0.91 | 7.08 | 5.50 | 7,094.93 |
| As at Nov 30, 2021 | 194.50 | 1,141.03 | 144.41 | 5,247.63 | 8.10 | 187.14 | 16.19 | 0.91 | 8.20 | 5.03 | 6,953.14 |

RESTATED STATEMENT OF INTAGIBLE ASSETS

 Note-I.12
 (Amt in Lakh)

| Particular | |
|-----------------------------|--------------|
| Gross Block | |
| As at April 01, 2018 | 13.36 |
| Addition | - |
| Deletion | - |
| As at March 31, 2019 | 13.36 |
| Addition | 19.99 |
| Deletion | - |
| As at March 31, 2020 | 33.35 |
| Addition | - |
| Deletion | - |
| As at March 31, 2021 | 33.35 |
| Addition | |
| Deletion | |
| As at Nov 30, 2021 | 33.35 |
| Depreciation | |
| As at April 01, 2018 | 13.36 |
| for the year | - |
| Adjustments | - |
| As at March 31, 2019 | 13.36 |
| for the year | 1.17 |
| Adjustments | - |
| As at March 31, 2020 | 14.53 |
| for the year | 6.33 |
| Adjustments | - |
| As at March 31, 2021 | 20.86 |
| for the year | 4.22 |
| Adjustments | |
| As at Nov 30, 2021 | 25.08 |
| As at March 31, 2019 | - |
| As at March 31, 2020 | 18.82 |
| As at March 31, 2021 | 12.49 |
| As at Nov 30, 2021 | 8.27 |

RESTATED STATEMENT OF NON-CURRENT INVESTMENTS

 Note-I.13
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (Valued at Cost unless stated otherwise) | | | | |
| Quoted Investment | | | | |
| Jindal Drilling Industries Ltd. 1000 Fully paid up Equity Shares of ₹.5 each | 0.03 | 0.03 | 0.03 | 0.03 |
| Haryana Capfin Ltd. | 0.02 | 0.02 | 0.02 | 0.002 |
| Unquoted Investment | | | | |
| SBI Mutual Funds | 10.00 | 10.00 | 10.00 | 10.00 |
| Others | 0.03 | 0.03 | 0.03 | 0.03 |
| Total | 10.08 | 10.08 | 10.08 | 10.08 |

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|------------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Total Quoted Shares | 1.151 | 1.07 | 0.62 | 1.23 |
| Total Unquoted Shares | 21.56 | 18.83 | 16.73 | 14.91 |
| Total Investment in Subsidiaries | - | - | - | - |
| Total Investment in Joint Ventures | - | - | - | - |

RESTATED STATEMENT OF LONG TERM LOANS AND ADVANCES

 Note-I.14
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Security Deposit | 167.07 | 167.07 | 164.57 | 164.57 |
| Advances recoverable in cash or kind or for value to be received | | | | |
| Capital Advances | 24.90 | 24.90 | 24.90 | 24.90 |
| Other Advances | | | | |
| To Related Parties | - | - | - | - |
| To Others | 562.24 | 612.24 | 572.24 | 529.13 |
| Total | 754.21 | 804.21 | 762.01 | 718.60 |

RESTATED STATEMENT OF INVENTORIES

 Note-I.15
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (As taken valued and certified by the management) | | | | |
| Raw Material | 1,206.04 | 1,347 | 1,681 | 2,559.49 |
| Finished Goods | 1,060.65 | 1,171 | 1,941 | 2,970.80 |
| Work in Progress | 2,642.72 | 3,181 | 4,487 | 3,439.60 |
| Scrap | 94.56 | 132 | 113 | 166.22 |
| Store, Spare Parts & Loose Tools | 1,244.63 | 1,107.49 | 1,006.78 | 944.86 |
| Total | 6,248.60 | 6,938.25 | 9,228.68 | 10,080.97 |

RESTATED STATEMENT TRADE RECEIVABLES

 Note-I.16
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (Unsecured, considered good) | | | | |
| Outstanding for a period of less than six months from due date | 10,891.63 | 12,641.92 | 11,118.07 | 11,705.96 |
| Outstanding for a period of more than six months from due date | 4,105.86 | 2,193.62 | 1,220.00 | 1,175.40 |
| Total | 14,997.49 | 14,835.54 | 12,338.07 | 12,881.36 |

RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

 Note-I.17
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Cash & Cash Equivalent | | | | |
| Cash in Hand | 3.00 | 3.42 | 6.00 | 15.38 |
| Cheque In Hand | - | 2.50 | - | 35.00 |
| Balances with Banks in Current Account | 12.96 | 14.38 | 35.67 | 39.73 |
| Other Cash & Bank Balance | | | | |
| Deposits with banks | 703.55 | 651.43 | 809.69 | 688.16 |

| | | | | |
|-----------------------|---------------|---------------|---------------|---------------|
| Other funds with Bank | 0.10 | 0.10 | 0.10 | 0.10 |
| Others | 15.25 | 15.25 | 15.25 | 15.25 |
| Total | 734.87 | 687.08 | 866.71 | 793.62 |

RESTATED STATEMENT OF SHORT TERM LOAN & ADVANCES

 Note-I.18
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|----------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Secured, considered good; | | | | |
| Loans to Intercorporate | 50.00 | 50.00 | 50.00 | 50.00 |
| Advances to Suppliers | | | | |
| To Related Parties | - | - | - | - |
| To Others | 1,765.95 | 1,528.52 | 1,257.01 | 1,420.17 |
| Advances to Others | | | | |
| To Related Parties | - | - | - | - |
| To Others | 189.14 | 161.27 | 216.77 | 615.22 |
| Total | 2,005.09 | 1,739.79 | 1,523.78 | 2,035.39 |

RESTATED STATEMENT OF OTHER CURRENT ASSETS

 Note-I.19
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Prepaid Expenses | 68.86 | 63.95 | 137.09 | 171.55 |
| Balances with Government Authorities | | | | |
| Income Tax (net of provision) | - | 121.36 | 107.39 | 73.22 |
| Others | 1084.10 | 1,219.73 | 1,219.73 | 1,447.17 |
| Mat Credit Entitlement | 136.43 | 85.79 | 48.33 | 48.33 |
| Interest Accrued but not due | 19.63 | 12.67 | 11.02 | 8.48 |
| Total | 1,309.01 | 1,503.50 | 1,583.57 | 1,749.25 |

RESTATED STATEMENT OF REVENUE FROM OPERATIONS

 Note-II.1
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|-------------------------------------|-------------------------|----------------------|----------------------|----------------------|
| (A) Sale of Goods | | | | |
| Pipes | 17,023.68 | 27,074.85 | 30,355.16 | 30,436.95 |
| CR/HRPO | 15,960.90 | 18,327.12 | 20,965.75 | 23,951.50 |
| Other Finished products | 1,781.69 | 1,738.90 | 4,386.75 | 9,204.07 |
| Other Products | 1,473.07 | 1,498.75 | 1,761.28 | 2,271.07 |
| Total(A) | 36,239.34 | 48,639.62 | 57,468.94 | 65,863.59 |
| (B) Sale of Stock in Trade | | | | |
| HR Coil | 1,337.48 | 3,355.90 | 6,894.14 | 3,983.74 |
| Zinc | 702.55 | 56.20 | 1,015.71 | 1,480.34 |
| Other Items | - | 97.79 | -0.01 | 221.83 |
| Total(B) | 2,040.03 | 3,509.89 | 7,909.84 | 5,685.91 |
| (C) Other operating Revenues | 44.12 | 68.44 | 173.17 | 713.50 |
| Total(A+B+C) | 38,323.49 | 522,17.95 | 65,551.95 | 72,263.00 |

RESTATED STATEMENT OF OTHER INCOME

 Note-II.2
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Interest Income- Banks | 25.69 | 41.38 | 47.68 | 25.24 |
| Interest Income- Others | 159.97 | 125.47 | 198.22 | 227.90 |
| Profit on sale of Fixed Assets | - | - | - | 194.11 |
| Foreign Exchange Fluctuations | 0.64 | - | 9.36 | 26.44 |
| Other Miscellaneous Incomes | 91.85 | - | - | 19.69 |
| Total | 278.15 | 166.85 | 255.26 | 493.38 |

RESTATED STATEMENT OF RAW MATERIAL CONSUMED

 Note-II.3
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--------------|-------------------------|----------------------|----------------------|----------------------|
| HR Coil | 28,585.74 | 35,019.17 | 46,500.69 | 54,291.55 |
| Zinc | 2,158.05 | 3,192.53 | 3,222.96 | 4,032.93 |
| Others | 464.27 | 1,733.48 | 1,036.52 | 812.24 |
| Total | 31,208.06 | 39,945.18 | 50,759.97 | 59,136.72 |

RESTATED STATEMENT OF PURCHASE OF STOCK-IN-TRADE

 Note-II.4
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--------------|-------------------------|----------------------|----------------------|----------------------|
| HR Coil | 1,321.61 | 3,336.50 | 6,915.37 | 3,865.60 |
| Zinc | 702.55 | 55.95 | 1,006.93 | 1,477.67 |
| Others | - | 96.41 | - | 215.35 |
| Total | 2,024.16 | 3,488.86 | 7,922.30 | 5,558.62 |

RESTATED STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

 Note-II.5
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Inventories at the end of the year/period: | | | | |
| Finished Goods | 1,060.65 | 1,170.97 | 1,941.46 | 2,970.80 |
| Work in progress | 2,642.72 | 3,181.22 | 4,487.01 | 3,439.60 |
| Scrap | 94.56 | 131.65 | 112.58 | 166.22 |
| Total | 3,797.93 | 4,483.84 | 6,541.05 | 6,576.62 |
| Inventories at the beginning of the year/period: | | | | |
| Finished Goods | 1,170.97 | 1,941.46 | 2,970.80 | 1,721.04 |
| Work in progress | 3,181.22 | 4,487.01 | 3,439.60 | 3,508.92 |
| Scrap | 131.65 | 112.58 | 166.22 | 204.24 |
| Total | 4,483.84 | 6,541.05 | 6,576.62 | 5,434.20 |
| Total | 685.91 | 2,057.21 | 35.57 | (1,142.42) |

RESTATED STATEMENT OF EMPLOYEES BENEFIT EXPENSES

 Note-II.6
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---------------------------|-------------------------|----------------------|----------------------|----------------------|
| Salaries, Wages and Bonus | 695.59 | 974.79 | 1,573.38 | 1,332.43 |

| | | | | |
|--|---------------|-----------------|-----------------|-----------------|
| Bonus | 18.57 | 39.60 | 76.41 | 70.85 |
| Directors Remuneration | 8.48 | 11.60 | 14.60 | 15.60 |
| Contribution to Employee provident and other funds | 36.77 | 45.34 | 83.84 | 76.96 |
| Gratuity Expenses | 14.49 | 11.05 | 28.88 | 36.69 |
| Staff Welfare Expenses | 11.38 | 20.26 | 27.36 | 29.84 |
| Total | 785.28 | 1,102.64 | 1,804.47 | 1,562.37 |

RESTATED STATEMENT OF FINANCE COST

 Note-II.7
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (a) Interest Expense | | | | |
| (i) Interest to Banks | | | | |
| on Working Capital Loans and Allied Facilities | 999.71 | 1,736.88 | 1,653.10 | 1,464.61 |
| on Term Loans | 32.36 | 36.59 | 17.12 | 23.91 |
| (ii) Interest to Others | 79.64 | 215.44 | 830.02 | 699.57 |
| (b) Other Finance costs | 181.64 | 296.12 | 379.65 | 263.70 |
| (c) Foreign Exchange Fluctuation Loss | - | 0.90 | - | - |
| Total | 1,293.35 | 2,285.93 | 2,879.89 | 2,451.79 |

RESTATED STATEMENT OF DEPRECIATION & AMORTISATION COST

 Note-II.8
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Depreciation on Properties, Plant & Equipments | 279.34 | 419.42 | 413.25 | 374.86 |
| Depreciation on Intangible assets | 4.22 | 6.33 | 1.16 | - |
| Total | 283.56 | 425.75 | 414.41 | 374.86 |

RESTATED STATEMENT OF OTHER EXPENSES

 Note-II.9
 (Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Consumption of Consumable Stores | 271.25 | 330.73 | 625.91 | 737.85 |
| Carriage Inward | 57.52 | 24.27 | 67.62 | 140.80 |
| Power and Fuel | 828.17 | 996.25 | 1,586.08 | 1,573.42 |
| Repair & Maintenance Building | 1.22 | 3.66 | 20.81 | 21.96 |
| Repair & Maintenance Plant and Machinery | 50.51 | 55.69 | 114.43 | 171.93 |
| Other Manufacturing Expenses | 52.62 | 57.57 | 102.16 | 119.45 |
| Commission & Brokerage | 0.88 | 44.16 | 29.58 | 26.93 |
| Corporate social responsibility expenses | 1.93 | 2.93 | 8.89 | 3.96 |
| Donation | 0.34 | 0.89 | 0.54 | 0.50 |
| Insurance expenses | 6.89 | 24.52 | 20.95 | 11.35 |
| Payments to the auditors | 2.00 | 3.40 | 3.40 | 3.38 |
| Rate Fees & Taxes | 11.19 | 13.70 | 28.06 | 14.16 |
| Rent Expenses | 16.87 | 25.43 | 25.08 | 26.43 |
| Sundry Balances written off | 5.96 | 2.31 | 32.34 | - |
| Business Promotion Expenses | 7.36 | 30.26 | 6.79 | 3.09 |
| Carriage and Freight Outward Expenses | 484.55 | 661.99 | 934.17 | 969.84 |
| Loss on sale of Assets | - | 6.80 | 1.14 | - |
| Professional & Legal Charges | 30.00 | 51.99 | 67.20 | 53.97 |
| Security Expenses | 15.86 | 22.10 | 13.54 | 18.62 |

| | | | | |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
| Travelling & Conveyance Expenses | 29.89 | 39.52 | 66.68 | 40.67 |
| Vehicle Running & Maintenance | 5.49 | 8.72 | 11.86 | 11.47 |
| Rebate and Discount | 81.27 | 366.84 | 236.41 | 153.68 |
| Miscellaneous Expenses | 54.39 | 77.39 | 67.18 | 75.63 |
| Total | 2,016.16 | 2,851.12 | 4,070.82 | 4,179.09 |

***Payments to the auditors comprises:**

| Particulars | As at 30 November, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-------------------------------|-------------------------------|---|---|---|
| As auditors - statutory audit | 2.00 | 3.00 | 3.00 | 3.00 |
| For taxation matters | - | 0.40 | 0.40 | 0.38 |
| Total | 2.00 | 3.40 | 3.40 | 3.38 |

RESTATED STATEMENT OF EXPENDITURE IN FOREIGN CURRENCY

Note-II.10
(Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------------|-------------------------|-------------------------|----------------------------|
| Value of imports calculated on C.I.F basis by the company during the financial year in respect of, | | | | |
| Raw Materials | 817.29 | - | - | - |
| Components and Spare Parts | - | 7.29 | - | - |
| Capital Goods | - | - | - | - |
| Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest and other matters, | - | - | - | - |
| Sales promotion | - | - | 1.24 | - |
| Travelling expenses | - | - | - | 2.06 |

RESTATED STATEMENT OF EARNINGS IN FOREIGN CURRENCY

Note-II.11
(Amt in Lakh)

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------------|-------------------------|-------------------------|----------------------------|
| Earnings in foreign exchange classified under the following heads, | | | | |
| Export of goods calculated on F.O.B basis; | - | 192.10 | 948.12 | 1,080.34 |
| Royalty, know-how, professional and consultation fees; | - | - | - | - |
| Interest and dividend; | - | - | - | - |
| Other income, indicating the nature thereof | - | - | - | - |

RESTATED STATEMENT OF EARNING PER SHARE

Note-II.12
(Amt in Lakh)

(A) Reconciliation Of Basic And Diluted Shares Used In Computing Earning Per Share

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
| Basic earnings per equity share - weighted average number of equity shares outstanding (Nos) - Opening | 920,095 | 920,095 | 920,095 | 910,295 |
| Add: Shares Issued during the year | 377,360 | - | - | 9,800 |
| Weighted Average Shares | 1,172,358 | 920,095 | 920,095 | 915,370 |
| Add: Impact of shares split in ratio of 10:1 | 10,551,218 | 8,280,855 | 8,280,855 | 8,238,326 |
| Add: Impact of Bonus Issued in ratio of 2:10 | 2,110,244 | 1,656,171 | 1,656,171 | 1,647,665 |
| Basic earnings per equity share - weighted average number of equity shares outstanding (Nos) - Closing | 13,833,819 | 10,857,121 | 10,857,121 | 10,801,360 |
| Add/(Less): Effect of dilutive shares (Nos) | - | - | - | - |

| | | | | |
|---|------------|------------|------------|------------|
| Diluted earnings per equity share - weighted average number of equity shares outstanding (Nos) | 13,833,819 | 10,857,121 | 10,857,121 | 10,801,360 |
|---|------------|------------|------------|------------|

- Pursuant to members approval dated March 10, 2022 face value of Equity Shares of the company has been sub-divided from Rs. 100 to Rs. 10 per share.
- The Board of Directors of the Company in its meeting held on March 13, 2022 approved issuance of fully-paid Bonus Shares to its existing shareholders in the ratio of 2:10 (two fully paid bonus shares on every existing ten equity shares).

(B) Computation of basic and diluted earning per share

| Particulars | As at 30 November, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|---|-------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Basic earning per share | | | | |
| Profit after tax | 202.19 | 148.64 | (1,389.25) | 467.97 |
| Weighted average number of shares (For Basic EPS) | 13,833,819 | 10,857,121 | 10,857,121 | 10,801,360 |
| Basic EPS | 1.46 | 1.37 | (12.80) | 4.33 |
| Diluted earning per share | | | | |
| Profit after tax | 202.19 | 148.64 | (1,389.25) | 467.97 |
| Add/(less): Effect of dilution on profit | - | - | - | - |
| Revised profit after tax | 202.19 | 148.64 | (1,389.25) | 467.97 |
| Weighted average number of shares (For Diluted EPS) | 13,833,819 | 10,857,121 | 10,857,121 | 10,801,360 |
| Diluted EPS | 1.46 | 1.37 | (12.80) | 4.33 |

* This EPS has not been annualized.

* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earnings per share of the company remain the same.

NOTES ON ACCOUNTS

ANNEXURE V STATEMENT OF RESTATEMENT ADJUSTMENTS TO AUDITED FINANCIAL STATEMENTS

PART-A

Reconciliation between audited profit and restated profit

| Particulars | As at 30 Nov, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|--------------------|----------------------|----------------------|----------------------|
| A. Profit after tax (as per audited financial statements) | 954.62 | 144.58 | -2,146.56 | 465.33 |
| B. Add/(Less) : Adjustments on account of : | | | | |
| 1. Provision for Income Years for Prior Period | - | - | 0.82 | 0.53 |
| 2. Change in Provision of Gratuity Estimates | 1.76 | 1.56 | -8.13 | -3.15 |
| 3. Professional Expenses related to Financial Year 2017-18 | - | 2.18 | 10.29 | - |
| 4. Deferred Tax | -754.19 | 0.32 | 754.33 | -14.72 |
| 5. Provision for Taxation and MAT Credit | - | - | - | 19.98 |
| | -752.43 | 4.06 | 757.31 | 2.64 |
| C. Restated profit after tax (A+B) | 202.19 | 148.64 | -1,389.25 | 467.97 |

Reconciliation of the Opening Balance of Surplus of Profit and Loss under Reserves and Surplus for the FY 2018-19:

| Particulars | As on 1 April, 2018 |
|--|---------------------|
| (A) Opening Balance of surplus | 2.52 |
| Add/(Less) : Adjustments on account of- | |
| 1. Provision for Income Years for Prior Period | (21.33) |
| 2. Change in Provision of Gratuity Estimates | 7.96 |
| 3. Professional Expenses related to Financial Year 2017-18 | (12.47) |
| 4. Deferred Tax | 14.26 |

| | |
|--|----------------|
| 5. Provision for Taxation and MAT Credit | - |
| Total Adjustments (B) | (11.58) |
| Restated Opening Balance of surplus (A+B) | (9.06) |

Reconciliation between total audited equity and total restated equity

| Particulars | As at 30 Nov, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-----------------------|-------------------------|----------------------------|-------------------------|
| A. Total Equity as per audited financial statements | 11,331.72 | 7,377.10 | 7,232.51 | 9,379.08 |
| B. Restatement Adjustments | | | | |
| (i) Audit Qualifications | - | - | - | - |
| (ii) Other material adjustments | | | | |
| Income Tax Provisions and Mat Credit | - | - | - | -0.82 |
| Deferred Tax Provisions | - | 754.19 | 753.87 | -0.46 |
| Change in Provision of Gratuity | - | - | - | - |
| Estimates | - | 1.78 | 3.33 | 4.80 |
| Prior Period Expenses | - | - | 2.18 | -12.47 |
| C. Total Equity as Restated Statement of Assets and Liabilities(A+B) | 11,331.72 | 8,129.51 | 7,980.87 | 9,370.13 |

(here total equity means Equity Share Capital and Reserves and Surplus)

Material Regrouping

Appropriate regroupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per AS financial information of the Company for the period ended November 30, 2021 prepared in accordance with Schedule III of Companies Act, 2013 and other applicable AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

Non Adjusting items

There are no non adjusting items.

ANNEXURE VI: OTHER NOTES TO THE RESTATED FINANCIAL STATEMENTS

- The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded off to the nearest lakhs.
- In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.
- In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any.
- Letter of credit for supply of raw material opened on behalf of company has been included in Trade payable.**

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-------------|--|---|---|---|
| | | | | |

| | | | | |
|------------------|----------|----------|----------|----------|
| Letter of credit | 4,277.00 | 3,814.00 | 4,702.00 | 2,485.00 |
|------------------|----------|----------|----------|----------|

5. Corporate social responsibility expenses

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| a) Gross amount required to be spent by the Company during the year/period | - | - | 12.12 | 12.01 |
| b) total of previous years shortfall, | 8.35 | 11.28 | 8.05 | - |
| c) Total amount required to be spent | 8.35 | 11.28 | 20.17 | 12.01 |
| b) Gross amount provided for CSR activities | 1.93 | 2.93 | 8.89 | 3.96 |
| c) Amount spent during the period / year | 1.93 | 2.93 | 8.89 | 3.96 |
| d) shortfall at the end of the period / year | 6.42 | 8.35 | 11.28 | 8.05 |
| f) reason for shortfall | * | * | * | * |
| g) nature of CSR activities, | Promoting preventive health care, education. | | | |

*The CSR Committee was examining and evaluating suitable proposals for deployment of fund towards CSR initiatives, but due to outburst of COVID-19 and state wise lockdown restrictions imposed by the state governments the company was unable to spend the CSR amount. However, the CSR Committee expects finalization of such proposal in due course and the board has decided to deposit the pending amount in a separate bank account.

6. Segment reporting

Based on guiding principle given in Accounting Standard 17 'Segment reporting, Issued by the Institute of Chartered Accountants of India.

a) Primary Segment (Business Segment):

The Company is engaged in the business of manufacturing Manufacturing of ERW Black Pipe, Galvanized Steel Tubes, Cold Rolled Strips, S.T. Poles, Solar Mounting Structures and similar nature goods. The entire operations are governed by the same set of risk and returns. Hence, the same has been considered as representing a single Business Segment.

b) Secondary Segment (Geographical Segments)

During the both reporting periods, Current and previous year, the Company's major sale are located only in India. Hence, the same has been considered as representing a single Geographical Segment.

7. Disclosure Requirement under Section 186(4) of Companies Act, 2013.

| Particular | Varda Expo mark & Marketing | Stonex India Pvt, Ltd. |
|-------------------------------|-----------------------------|------------------------|
| Category | Loan | Loan |
| As at April 01, 2018 | 263.00 | 645.00 |
| Given during the year | | |
| Received back during the year | 213.00 | 645.00 |
| As at March 31, 2019 | 50.00 | - |
| Given during the year | - | - |
| Received back during the year | - | - |
| As at March 31, 2020 | 50.00 | - |
| Given during the year | - | - |
| Received back during the year | - | - |
| As at March 31, 2021 | 50.00 | - |
| Given during the year | - | - |

| | | |
|-------------------------------|-------|---|
| Received back during the year | - | - |
| As at Nov 30, 2021 | 50.00 | - |

8. Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption.

| Particular | For the period ended 30 Nov, 2021 (8 Months) | | For the year ended 31 March, 2021 | |
|--|--|----------------|-----------------------------------|----------------|
| | Rs. | (%) | Rs. | (%) |
| A. Raw Materials and Components | | | | |
| (I) Imported | 817.29 | 301.31% | - | 0.00% |
| (II) Indigenous | 30,390.77 | 97.38% | 39945.18 | 100.00% |
| Total | 31,208.06 | 398.69% | 39,945.18 | 100.00% |
| B. Stores & Spares | | | | |
| (I) Imported | - | 0.00% | 7.27 | 2.20% |
| (II) Indigenous | 271.25 | 100.00% | 323.46 | 97.80% |
| Total | 271.25 | 100.00% | 330.73 | 100.00% |

| Particular | For the year ended 31 March, 2020 | | For the year ended 31 March, 2019 | |
|--|-----------------------------------|----------------|-----------------------------------|----------------|
| | Rs. | (%) | Rs. | (%) |
| A. Raw Materials and Components | | | | |
| (I) Imported | - | 0.00% | - | 0.00% |
| (II) Indigenous | 50759.97 | 100.00% | 59136.72 | 100.00% |
| Total | 50,759.97 | 100.00% | 59,136.72 | 100.00% |
| B. Stores & Spares | | | | |
| (I) Imported | - | 0.00% | 0 | 0.00% |
| (II) Indigenous | 625.91 | 100.00% | 737.85 | 100.00% |
| Total | 625.91 | 100.00% | 737.85 | 100.00% |

9. Employee benefit Plan

(A) Defined benefit Plan

The defined benefit plan operated by the Company is as below:

Retiring gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company does not make any contributions to gratuity funds and the plan is unfunded. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The defined benefit plans expose the Company to a number of actuarial risks as below:

- Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
- Interest risk:** A decrease in the bond interstate (discount rate) will increase the plan liability.
- Mortality risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table.
- Salary risk:** The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

i. Change in Defined Benefit Obligation (DBO)

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Present value of DBO at the beginning of the year | 102.19 | 181.31 | 179.24 | 168.18 |
| Current service cost | 10.23 | 14.02 | 23.26 | 21.80 |
| Interest cost | 4.56 | 12.15 | 13.62 | 12.78 |
| Actuarial (gain) / loss | (0.30) | (15.12) | (8.00) | 2.11 |
| Benefits paid | (8.89) | (90.17) | (26.81) | (25.63) |
| Present value of DBO at the end of the year | 107.79 | 102.19 | 181.31 | 179.24 |

ii. Change in fair value of plant assets

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Fair value of plan assets at the beginning of the year | - | - | - | - |
| Interest income | - | - | - | - |
| Employer contributions | - | - | - | - |
| Benefits paid | - | - | - | - |
| Fair value of plan assets at the end of the year | - | - | - | - |

(iii) Amounts recognised in the Balance Sheet

| Particulars | As at 30 Nov, 2021 (8 Months) | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------------|----------------------|----------------------|----------------------|
| Present value of DBO at the end of the year | 107.79 | 102.19 | 181.31 | 179.24 |
| Fair value of plan assets at the end of the year | - | - | - | - |
| Net Liability recognised in the Balance Sheet | 108 | 102 | 181 | 179 |

(iv) Components of employer expense

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Current service cost | 10.23 | 14.02 | 23.26 | 21.80 |
| Interest cost | 4.56 | 12.15 | 13.62 | 12.78 |
| Actuarial (gain) / loss | (0.30) | (15.12) | (8.00) | 2.11 |

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Expense recognised in Statement of Profit and Loss | 14.49 | 11.05 | 28.88 | 36.69 |
|---|--------------|--------------|--------------|--------------|

(v) Other comprehensive income

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Experience adjustments on plan liabilities | - | - | - | - |
| Actuarial loss/(gain) due to change in financial assumptions | - | - | - | - |
| Actuarial loss/ (gain) due to change in demographic assumption | - | - | - | - |
| Remeasurements recognised in other comprehensive income | - | - | - | - |

(vi) Nature and extent of investment details of the plan assets

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| State and Central Securities | 0% | 0% | 0% | 0% |
| Bonds | 0% | 0% | 0% | 0% |
| Special deposits | 0% | 0% | 0% | 0% |
| Insurer managed funds | 0% | 0% | 0% | 0% |

(vii) Assumptions

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Discount Rate | 0.00% | 6.70% | 6.70% | 7.60% |
| Salary Increase Rate | 7.50% | 7.50% | 7.50% | 7.50% |
| Rate of Return on Plan Assets | NA | NA | NA | NA |
| Mortality Table | IALM 2012-14 ult | IALM 2012-14 ult | IALM 2012-14 ult | IALM 2006-08 ult |
| Retirement Age | 60 Years | | | |
| Withdrawal rates | 7% per Annum | | | |

(B) Defined Contribution Plan

Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the employee provident fund organization (EPFO).

ANNEXURE - VII: RESTATED STATEMENT OF CONTINGENT LIABILITIES

| Particulars | For the period ended 30 Nov, 2021 (8 Months) | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| 1. Bank Guarantee/LC Discounting for which FDR margin money has been given to the bank as Security | 2.29 | 2.86 | 3.04 | 29.08 |
| 2. Entry tax matters | 24.04 | 24.04 | 24.04 | 24.04 |

| | | | | |
|-----------------------|-------|-------|-------|-------|
| 3. Income Tax Demands | - | - | 6.12 | 6.12 |
| Total | 26.33 | 26.90 | 33.26 | 59.24 |

ANNEXURE VIII: RELATED PARTY DISCLOSURES
A) List of related parties

| Category | Name | Relationship with company |
|---|------------------------------|-------------------------------|
| Controlling Companies/ Firms | | Nil |
| Key Management Personnel (KMP) | Late Devki Nandan Bansal | Managing Director |
| | Sandeep Bansal | Whole Time Director |
| | Dinesh Kumar Dhanda | Whole Time Director |
| | Surinder Singh | Whole Time Director |
| | Gulshan Rai | Chief financial officer (CFO) |
| | Banani Sikdar | Company secretary |
| Relatives of KMP | Geeta Devi Agarwal | Promoter of Company |
| | Anupama Bansal | Promoter of Company |
| | Shashwat Bansal | Promoter of Company |
| Entities in which KMP / Relatives of KMP can exercise significant influence | GDA Finvest & Trade Pvt. Ltd | Group Company |

B) Transactions with related parties are as follows:
(Amt in Lakh)

| Name | Nature of Relationship | Nature of Transaction | For the period ended November 30, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-------------------------------|---|-----------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Mr. Sandeep Bansal | Director | Interest on Loan | - | - | 22.33 | 23.71 |
| | | Remuneration | 3.20 | 4.80 | 4.80 | 4.80 |
| | | Rent | 3.00 | 19.05 | 23.40 | 23.64 |
| | | Loan Taken | - | 535.00 | - | 35.50 |
| | | Loan Repaid | 522.01 | 146.42 | 61.04 | 11.37 |
| Mrs. Anupama Bansal | Director's Wife | Interest on Loan | 8.00 | 16.92 | 22.92 | 22.92 |
| | | Loan Taken | - | - | - | - |
| | | Loan Repaid | 8.50 | 112.89 | 25.10 | 2.29 |
| Mr. Dinesh Kumar Dhanda | Director | Remuneration | 3.20 | 4.80 | 4.80 | 4.80 |
| Mr. Surendra Kumar Goel | Director | Remuneration | 2.00 | 2.00 | - | - |
| Mr. Surinder Singh | Director | Remuneration | 0.08 | - | - | - |
| Late Devki Nandan Bansal | Managing Director | Interest on Loan | - | 10.56 | 10.56 | 4.99 |
| | | Remuneration | - | - | 5.00 | 6.00 |
| | | Loan Taken | - | - | - | 80.50 |
| | | Loan Repaid | 107.27 | 0.79 | 6.37 | 0.49 |
| Mrs. Geeta Devi Aggarwal | Director's Mother | Interest on Loan | - | 1.96 | 6.00 | 1.96 |
| | | Loan Taken | 107.27 | 2,565.00 | - | 50.00 |
| | | Loan Repaid | 2,576.56 | 129.12 | 0.60 | 0.20 |
| GDA Finvest & Trade Pvt. Ltd. | Director's relatives are beneficial Owner | Interest on Loan | 0.23 | 0.36 | 0.36 | 4.90 |
| | | Loan Taken | - | - | - | - |
| | | Loan Repaid | 1.22 | 0.37 | 0.04 | 119.97 |

(b) Balances outstanding are as follows:

(Amt in Lakh)

| Name | Nature of Transaction | For the period ended November 30, 2021 | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-------------------------------|-----------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Mr. Sandeep Bansal | Remuneration | 0.40 | - | - | - |
| | Rent | 5.59 | 9.05 | - | - |
| | Loan Outstanding | 62.89 | 584.90 | 196.32 | 235.03 |
| Mrs. Anupama Bansal | Loan Outstanding | 115.16 | 115.66 | 211.63 | 213.81 |
| Mr. Dinesh Kumar Dhanda | Remuneration | 0.40 | - | - | - |
| Mr. Surendra Kumar Goel | Remuneration | - | - | - | - |
| Mr. Surinder Singh | Remuneration | 0.08 | - | - | - |
| Late Devki Nandan Bansal | Remuneration | - | - | 5.00 | 6.00 |
| | Loan Outstanding | - | 107.27 | 97.50 | 93.31 |
| Mrs. Geeta Devi Aggarwal | Loan Outstanding | 25.71 | 2,495.00 | 57.16 | 51.76 |
| GDA Finvest & Trade Pvt. Ltd. | Loan Outstanding | 2.51 | 3.50 | 3.51 | 3.19 |

ANNEXURE IX : RESTATED STANDALONE STATEMENT OF SIGNIFICANT ACCOUNTING RATIOS

| Particulars | As at 30 November, 2021 | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 |
|----------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Current Ratio | 1.49 | 1.48 | 1.31 | 1.45 |
| Debt-Equity Ratio, | 1.25 | 2.41 | 2.47 | 2.14 |
| Debt Service Coverage Ratio | 1.46 | 1.29 | 0.42 | 1.41 |
| Return on Equity Ratio | 0.02 | 0.02 | -0.17 | 0.05 |
| Inventory turnover ratio | 6.13 | 7.53 | 7.10 | 7.17 |
| Trade Receivables turnover ratio | 2.56 | 3.52 | 5.31 | 5.61 |
| Trade payables turnover ratio | 5.14 | 8.86 | 12.77 | 15.14 |
| Net capital turnover ratio | 4.61 | 6.23 | 10.76 | 8.39 |
| Net profit ratio | 0.01 | 0.00 | -0.02 | 0.01 |
| Return on Capital employed | 0.04 | 0.04 | -0.12 | 0.06 |

Methodology:

1. Current Ratio = Current Asset / Current Liability
2. Debt-Equity Ratio = Total Debt / (Total Debt + Equity)
3. Debt Service Coverage Ratio = EBITDA / Finance Cost
4. Return on Equity Ratio = Profit After Tax / Total Equity
5. Inventory Turnover Ratio = Purchase / Inventory
6. Trade Receivable Turnover Ratio = Revenue from Operations / Trade Receivable
7. Trade Payable Turnover Ratio = Purchase / Trade Payable
8. Net Capital Turnover Ratio = Revenue from Operations / (Current Asset - Current Liability)
9. Net Profit Ratio = Profit After Tax / Revenue from Operations
10. Return on Capital Employed = Profit After tax / Total Equity

| Particulars | Pre Issue (30.11.2021) | Post Issue |
|--|------------------------|------------|
| Debt | | |
| Short Term Debt | 4,232.93 | - |
| Long Term Debt | 9,878.25 | - |
| Total Debt | 14,111.18 | - |
| Shareholders' Fund (Equity) | | |
| Share Capital | 1,297.46 | - |
| Reserves & Surplus | 10,034.26 | - |
| Total Shareholders' Fund (Equity) | 11,331.72 | - |
| Long Term Debt/Equity | 0.87 | - |
| Total Debt/Equity | 1.25 | - |

ANNEXURE X: RESTATED STATEMENT OF CAPITALISATION

(Amt in Lakh)

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.11.2021.

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OTHER FINANCIAL INFORMATION

For Details on other financial information please refer to page no. 159 - Statement of Mandatory Accounting Ratios on page 188 under the chapter titled 'Financial Statements as Restated' beginning on page 161 of this Draft Red Herring Prospectus.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended on November 30, 2021, financial year ended March 31, 2021, financial year ended March 31, 2020 and financial year ended March 31, 2019. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 159 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 16 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 11 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Swastik Pipe, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended on November 30, 2021, Financial Years ended on March 2021, 2020 and 2019 included in this Draft Red Herring Prospectus beginning on page 161 of this Draft Red Herring Prospectus.

BUSINESS OVERVIEW

Our Company was incorporated as a private limited company namely "Swastik Pipes Private Limited" under the Companies Act, vide certificate of incorporation dated October 10, 1973 issued by Registrar of Companies, NCT of Delhi & Haryana bearing registration no 006881. Further, Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 16, 2002 & name of our Company changed from Swastik Pipes Private Limited to Swastik Pipes Limited & Registrar of Companies, NCT of Delhi and Haryana has issued certificate of incorporation consequent upon conversion dated March 21, 2003 having CIN U74899DL1973PLC006881. Furthermore, the name of the company was changed from Swastik Pipes Limited to Swastik Pipe Limited and a fresh Certificate of Incorporation was issued dated April 3, 2013 by Registrar of Companies, NCT of Delhi & Haryana.

Swastik Pipe has diversified its Manufacturing activities towards production of Solar Module Mounting Structures, Transmission Towers, Steel Tubular Poles and Solar Poles Special Structure for Railways, Scaffolding and Formwork. Swastik Pipe Ltd is one of the oldest and prominent manufacturer, exporter and supplier of steel pipes and tubes to various heavy engineering industries in India and abroad.

Swastik Pipe Limited is manufacturers and exporters of T.T. Swastik Brand high quality Mild Steel/Carbon Steel ERW Black and Galvanized Pipes/Tubes Since 1973. Its advancement state-of-art manufacturing facilities with ISO 9001: 2015 has achieved national and international reputation and appreciation. Our promoter being Sandeep Bansal has more than 30 years of experience in the steel manufacturing.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUBPERIOD

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on March 12, 2022 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.

- The Board of Directors of our company appointed Mr. Sandeep Bansal as Managing Director on February 14, 2022 and shareholders of Company subsequently confirmed his appointment in the Extra-Ordinary General Meeting held on March 10, 2022.
- The shareholders of our Company appointed Mr. Vishal Dugar and Ms. Sony Kumari as Independent Directors in the Extra Ordinary General Meeting held on March 10, 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 Factor* beginning on page 16 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Significant developments in India's economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular Dairy Sector may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;

DISCUSSION ON RESULT OF OPERATION

(Rs. Lakhs)

| S.N. | Particulars | For the period ended 30 Sep, 2021 | %age of Total Income | For the year ended 31 March, 2021 | %age of Total Income | For the year ended 31 March, 2020 | %age of Total Income | For the year ended 31 March, 2019 | %age of Total Income |
|------------|---|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|
| I | Revenue from Operations | 38,323.49 | 99.28% | 52,217.95 | 99.68% | 65,551.95 | 99.61% | 72,263.00 | 99.32% |
| II | Other Income | 278.15 | 0.72% | 166.85 | 0.32% | 255.26 | 0.39% | 493.38 | 0.68% |
| III | Total Income (I + II) | 38,601.64 | 100.00% | 52,384.80 | 100.00% | 65,807.21 | 100.00% | 72,756.38 | 100.00% |
| IV | Expenses | | | | | | | | |
| | (a) Cost of Material Consumed | 31,208.06 | 80.85% | 39,945.18 | 76.25% | 50,759.97 | 77.13% | 59,136.72 | 81.28% |
| | (b) Purchases of stock-in-trade | 2,024.16 | 5.24% | 3,488.86 | 6.66% | 7,922.30 | 12.04% | 5,558.62 | 7.64% |
| | (c) Changes in stock-in-trade | 685.91 | 1.78% | 2,057.21 | 3.93% | 35.57 | 0.05% | (1,142.42) | (1.57%) |
| | (d) Employee benefits expenses | 785.28 | 2.03% | 1,102.64 | 2.10% | 1,804.47 | 2.74% | 1,562.37 | 2.15% |
| | (e) Finance costs | 1,293.35 | 3.35% | 2,285.93 | 4.36% | 2,879.89 | 4.38% | 2,451.79 | 3.37% |
| | (f) Depreciation and amortisation expenses | 283.56 | 0.73% | 425.75 | 0.81% | 414.41 | 0.63% | 374.86 | 0.52% |
| | (g) Other expenses | 2,016.16 | 5.22% | 2,851.12 | 5.44% | 4,070.82 | 6.19% | 4,179.09 | 5.74% |
| | Total Expenses | 38,296.48 | 99.21% | 52,156.69 | 99.56% | 67,887.43 | 103.16% | 72,121.03 | 99.13% |
| V | Profit before exceptional and extraordinary items and tax (III – IV) | 305.16 | 0.79% | 228.11 | 0.44% | (2,080.22) | (3.16%) | 635.35 | 0.87% |

| | | | | | | | | | |
|-------------|---|---------------|---------|---------------|---------|-------------------|---------|----------------|---------|
| VI | Exceptional items & Extraordinary items | - | - | - | - | - | - | - | - |
| VII | Profit before tax (V + VI) | 305.16 | 0.79% | 228.11 | 0.44% | (2,080.22) | (3.16%) | 635.835 | 0.87% |
| VIII | Tax expense: | | | | | | | | |
| | (a) Current tax | 50.64 | 0.13% | 37.45 | 0.07% | - | 0.00% | 132.69 | 0.18% |
| | (b) Mat Credit Entitlement | (50.64) | (0.13%) | (37.45) | (0.07%) | - | 0.00% | (48.33) | (0.07%) |
| | (d) Deferred tax | 102.97 | 0.27% | 79.47 | 0.15% | (690.97) | (1.05%) | 83.02 | 0.11% |
| | Total tax expense | 102.97 | 0.27% | 79.47 | 0.15% | (690.97) | (1.05%) | 167.38 | 0.23% |
| IX | Profit for the year (VII - VIII) | 202.19 | 0.52% | 148.64 | 0.28% | (1,389.25) | (2.11%) | 467.97 | 0.64% |

DISCUSSION ON RESULT OF OPERATION

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled –Financial Statements beginning on page 161 of the Draft Red Herring Prospectus.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

◆ Revenue of operations

Our Revenue from operations is 38323.49 Lakhs as on period ended November 30, 2021 which is majorly generated from sale of steel pipes, CR/HRPO and other products.

◆ Other Income

Our other income is 278.15 Lakhs as on period ended November 30, 2021 which is primarily generated from Interest, net gain on foreign currency transactions and other miscellaneous incomes.

(Rs. In Lakhs)

| Particulars | 30-November-21 | 31-Mar-21 | 31-Mar-20 | 31-Mar-19 |
|-------------------------|------------------|------------------|------------------|------------------|
| Revenue from Operations | 38,323.49 | 52,217.95 | 65,551.95 | 72,263.00 |
| % of total revenue | 99.28% | 99.68% | 99.61% | 99.32% |
| Other income | 278.15 | 166.85 | 255.26 | 493.38 |
| % of total revenue | 0.72% | 0.32% | 0.39% | 0.68% |
| Total Revenue | 38,601.64 | 52,384.80 | 65,807.21 | 72,756.38 |

Expenditure

Our total expenditure primarily consists of Cost of material consumed, finance cost and other expenses.

◆ Inventory

Being a manufacturer, we need to keep high level of inventory.

◆ Employment Benefit Expenses

It includes Salaries and staff welfare expenses.

◆ Other Expenses

It mainly includes freight charges, loading & unloading expenses, factory expenses and rent paid.

◆ Finance Costs

Our finance costs mainly include interest charges and other borrowing costs.

◆ **Depreciation**

Depreciation has been provided as per the useful life prescribed under schedule II of the Companies Act, 2013 on Written down Value (WDV) Method on pro rata basis.

REVIEW OF OPERATIONS FOR THE PERIOD ENDED NOVEMBER 30, 2021.

Income from Operations

Our revenue from operations for the period ended November 30, 2021 was ₹. 38323.49 Lakhs which was 99.28% of the total revenue.

Other Income

Our other income for the period ended November 30, 2021 was ₹. 278.15 Lakhs which was 0.72% of total revenue.

Expenditure Inventory

Our Purchase of inventory for the period ended November 30, 2021 were ₹. 2024.16 Lakh which was about 5.24% of the total revenue.

Employee Benefits expenses

The employee benefits expenses for the period ended November 30, 2021 were ₹. 785.28 Lakhs which was about 2.03% of the total revenue and which includes Salaries and wages.

Other Expenses

Other Expenses for the period ended November 30, 2021 were ₹. 2016.16 Lakhs which was about 5.22% of the total revenue.

EBITDA

Our EBITDA for the period ended November 30, 2021 were ₹. 1882.07 Lakhs.

Financial Costs

Financial costs for the period ended November 30, 2021 were ₹. 1293.35 Lakhs which was about 3.35% of the total revenue and which consists of interest expenses and Bank charges.

Depreciation

Depreciation for the period ended November 30, 2021 were ₹. 283.56 Lakhs which was about 0.73% of the total revenue and which consists of depreciation and amortization.

Profit /(Loss) after Tax

PAT for the period ended November 30, 2021 was ₹. 202.19 Lakhs.

FISCAL YEAR ENDED MARCH 31, 2021 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2020

Income

Total revenue has decreased by ₹. 13334 Lakhs and 20.34% from ₹. 65551.95 Lakhs in the fiscal year ended March 31, 2020 to ₹. 52217.95 Lakhs in the fiscal year ended March 31, 2021. The decrease in revenue is on account of outbreak of Covid-19 pandemic.

Expenditure

Total Expenditure decreased by ₹. 15730.74 Lakhs and 23.17%, from ₹. 67887.43 Lakhs in the fiscal year ended March 31, 2020 to ₹. 52156.69 Lakhs in the fiscal year ended March 31, 2021.

Inventory

Purchase of inventory in terms of value and percentage increased by ₹. 2021.64 Lakhs and 5683.55% from 35.57 Lakhs in the fiscal year ended March 31, 2020 to ₹. 2057.21 Lakhs in the fiscal year ended March 31, 2021.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage decreased by ₹. 701.83 Lakhs and 38.89% from ₹ 1804.47 Lakhs in the fiscal year ended March 31, 2020 to ₹. 1102.64 Lakhs in the fiscal year ended March 31, 2021.

Other Expenses

Other Expenses in terms of value and percentage decreased by ₹. 1219.70 Lakhs and 29.96 % from ₹. 4070.82 Lakhs in the fiscal year ended March 31, 2020 to ₹. 2851.12 Lakhs in the fiscal year ended March 31, 2021.

Profit before Tax and Extraordinary items

Profit before Extraordinary items and Tax has increased by ₹. 2308.33 Lakhs and 110.97% from a loss of ₹. 2080.22 Lakhs in the fiscal year ended March 31, 2020 to profit of ₹. 228.11 Lakhs in the fiscal year ended March 31, 2021.

Finance Costs

Finance Costs in terms of value decreased by ₹. 593.96 Lakhs and 20.62% from 2879.89 lakhs in the fiscal year ended March 31, 2020 to ₹. 2285.93 Lakhs in the fiscal year ended March 31, 2021.

Depreciation & Amortization Expenses

Depreciation in terms of value and percentage increased by ₹. 11.34 Lakhs and 2.74% from ₹. 414.41Lakhs in the fiscal year ended March 31, 2020 to ₹. 425.75 Lakhs in the fiscal year ended March 31, 2021.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹. 1537.89 Lakhs and 110.70% from loss of ₹. 1389.25 Lakhs in the fiscal yearended March 31, 2020 to profit of ₹. 148.64 Lakhs in the fiscal year ended March 31, 2021.

FISCAL YEAR ENDED MARCH 31, 2020 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2019

Income

Total revenue has decreased by ₹. 6711.05 Lakhs and 9.29% from ₹. 72263.00 Lakhs in the fiscal year ended March 31, 2019 to ₹. 65551.95 Lakhs in the fiscal year ended March 31, 2020.

Expenditure

Total Expenditure increased by ₹. 4233.60 Lakhs and 5.87%, from ₹. 72121.03 Lakhs in the fiscal year ended March 31,

2019 to ₹. 67887.43 Lakhs in the fiscal year ended March 31, 2020.

Inventory

Our inventory increased by ₹. 1177.99 lakhs and 103.11% from ₹. (1142.42) lakhs in the fiscal year ended March 31, 2019 to ₹ 35.57 lakhs in the fiscal year ended March 31, 2020.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by ₹.242.10 Lakhs and 15.50% from ₹. 1562.37 Lakhs in the fiscal year ended March 31, 2019 to ₹. 1804.47 Lakhs in the fiscal year ended March 31, 2020.

Other Expenses

Other Expenses in terms of value and percentage decreased by ₹. 108.27 Lakhs and 2.59% from ₹. 4179.09 Lakhs in the fiscal year ended March 31, 2019 to ₹. 4070.82 Lakhs in the fiscal year ended March 31, 2020.

Profit before Tax and Extraordinary items

Profit before extraordinary items and Tax has decreased by ₹. 2715.57 Lakhs and 427.41% from a profit of ₹. 635.35 Lakhs in the fiscal year ended March 31, 2019 to loss of ₹. 2080.22 Lakhs in the fiscal year ended March 31, 2020.

Finance Costs

Finance Costs of our company has increased by ₹. 428.10 Lakhs and 17.46% from 2451.79 Lakhs in the fiscal year ended March 31, 2019 to ₹. 2879.89 Lakhs in the fiscal year ended March 31, 2020.

Depreciation & Amortization Expenses

Depreciation in terms of value increased by ₹. 39.55 Lakhs and 10.55% from ₹. 374.86 Lakhs in the fiscal year ended March 31, 2019 to ₹. 414.41 Lakhs in the fiscal year ended March 31, 2020.

Net Profit after Tax and Extraordinary items

Net Profit has decreased by ₹. 1857.22 Lakhs and 396.87% from profit of ₹. 467.97 Lakhs in the fiscal year ended March 31, 2019 to loss of ₹. 1389.25 Lakhs in the fiscal year ended March 31, 2020.

INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THESEBI REGULATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled –Risk Factors beginning on page 16 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in this Draft Red Herring Prospectus, particularly in the sections –Risk Factors and –Management’s Discussion and Analysis of Financial Condition and Results of Operations on pages 16 and 191

respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

4. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from the business of real estate brokerage, selling plots of land and selling of affordable housing.

5. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Our Company's future costs and revenues can be impacted by an increase in labour costs as the company looks to hire talent with new skills and capabilities for the digital economy who may be in short supply.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates

The Company is operating in Real Estate Industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 90 of this Draft Red Herring Prospectus.

9. Status of any publicly announced new products or business segments

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

10. The extent to which the business is seasonal

Our business is not seasonal in nature.

11. Any significant dependence on a single or few suppliers or customers

Our Company is significantly dependent on a large base customers. For further details refer the chapter titled -Risk factor and -Our Business on page 16 and 102 of Draft Red Herring Prospectus.

12. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 102 of this Draft Red Herring Prospectus.

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FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on November 30, 2021 our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs 11653.75 lakhs and Unsecured Loan aggregating to Rs. 2457.43 lakhs.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of November 30, 2021:

Secured

| Name of persons/companies | Outstanding as on November 30, 2021 | Rate of Interest | Nature of Tenure |
|------------------------------|-------------------------------------|------------------|---|
| Secured Loans | | | |
| Term Loans | | | |
| IndusInd Bank Ltd. (GECL) | 1605.00 | 8.75% | One year Moratorium and thereafter repayment in 48 installments |
| Indian Overseas Bank (GECL) | 480.00 | 8.45% | One year Moratorium and thereafter repayment in 48 installments |
| Northern ARC Capital Ltd. | 97.52 | 14% | Repayments in 48 installments |
| Working Capital Loans | | | |
| State Bank of India | 6312.46 | 13% | Repayable on Demand |
| Indian Overseas Bank | 2067.85 | 12.40% | Repayable on Demand |
| IndusInd Bank Ltd. | 948.84 | 10.6% | Repayable on Demand |
| Vehicle Loans | | | |
| HDFC Bank | 132.22 | 12% | Repayable in 36-48 Installments |
| Kotak Mahindra | 9.86 | 11.75% | Repayable in 36-48 Installments |

Unsecured

| Name of persons/companies | Outstanding as on November 30, 2021 | Rate of Interest | Nature of Tenure |
|--------------------------------------|-------------------------------------|------------------|---|
| Directors Loans | | | |
| Sandeep Bansal | 62.89 | 12% | To strengthen the working capital margin |
| Anupama Bansal | 115.15 | 12% | |
| Geeta Devi Agarwal | 25.72 | 12% | |
| Inter Corporate Loans | | | |
| Bhagwati Gases Ltd. | 48.69 | 12% | To meet working capital requirements of the business of our Company |
| GDA Finvest & Trade Pvt. Ltd. | 2.53 | 12% | |
| Blue Stone Trade & Finance Ltd | 29.79 | 12% | |
| Standard Corporate Services Pvt. Ltd | 3.78 | 12% | |
| Swastik Enercon Projects Ltd | 886.21 | 12% | |
| Sudha Apparels Ltd. | 1,232.66 | 8% | |
| Pathview Developers Pvt Ltd. | 50.00 | 12% | |

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OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Red Herring Prospectus.

I. Litigations involving our Company

A. Against our Company:

Civil Cases

| Sr. No. | CASE NO. | COURT NAME | PLAINTIFF/PE TITIONER/CO MPLAINANT | DEFENDANT/ RESPONDEN T | AMOUNT INVOLVED | STATUS OF LITIGATION |
|---------|-------------------|------------------------------------|------------------------------------|------------------------|-----------------|--|
| 1 | CA/241/2019 | District And Session Judge, Jajjar | M/S Shri Laxmi Udyog Pvt Ltd | Swastik Pipe Ltd. | - | Court Notice To Appellant And Respondents Be Issued NDOH 26.04.22 |
| 2 | CS (OS) 2962/2012 | High Court of Delhi | Q.T Trading Lp | Swastik Pipe Ltd | - | List For Recording Of Evidence Through Video Conferencing NDOH 18.04.22 |

B. By our Company:

Civil Cases

| S.N. | CASE NO. | COURT NAME | PLAINTIFF/PE TITIONER/CO MPLAINANT | DEFENDANT/ RESPONDEN T | AMOUNT INVOLVED | STATUS OF LITIGATION |
|------|--------------------|---------------------|------------------------------------|-------------------------------------|-----------------|-----------------------------|
| 1 | ARB.P. 184/2020 | Delhi High Court | Swastik Pipe Ltd | Gopal Luharka | 54,53,734 | Pending And NDOH 23.03.2022 |
| 2 | ARB. P. 100/2021 | Delhi High Court | Swastik Pipe Ltd | Shree Balaji Pipe/ Ms. Dimple Verma | 10,07,109 | Pending And NDOH 05.04.2022 |
| 3 | W.P.(C) 12338/2021 | Delhi High Court | Swastik Pipe Ltd | Union Of India & Ors. | - | Pending And NDOH 12/09/2022 |
| 4 | CT/6453/2019 | Patiala House Court | Swastik Pipe Ltd | Amit Prahalad Tiwari | 19,54,314 | Pending And NDOH 20/07/2022 |
| 5 | CT/10262/2019 | Patiala House Court | Swastik Pipe Ltd | Amit Prahalad Tiwari | 19,54,214 | Pending And NDOH 20/07/2022 |
| 6 | CT/10263/2019 | Patiala House Court | Swastik Pipe Ltd | Amit Prahalad Tiwari | 3,00,000 | Pending And NDOH 20/07/2022 |

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|----|---------------------|------------------------|-------------------|---|-------------|---|
| 7 | CT/14778/2019 | Patiala House Court | Swastik Pipe Ltd | Amit Prahalad Tiwari | 3,00,000 | Pending And NDOH 20/07/2022 |
| 8 | CT/10987/2019 | Patiala House Court | Swastik Pipe Ltd | Amit Prahalad Tiwari | 19,54,214 | Pending And NDOH 20/07/2022 |
| 9 | CT/1426/2020 | Patiala House Court | Swastik Pipe Ltd | Emkay Automobile Industries Ltd. | 1,20,000,00 | Pending And NDOH 21/04/2022 |
| 10 | CT/2273/2020 | Patiala House Court | Swastik Pipe Ltd | Mr. Gopal Luharka | 54,53,734 | Pending And NDOH 07/05/2022 |
| 11 | CR CASES 53180/2016 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Haryana Foils Ltd Ors | - | Put Up For Appearance And Final Arguments NDOH 23.04.22 |
| 12 | CT CASES 10262/2019 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Amit Prahalad Tiwari | - | Fresh Summon Be Issued To Accused NDOH 20.07.22 |
| 13 | CT CASES 10263/2019 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Amit Prahalad Tiwari | - | Fresh Summon Be Issued To Accused NDOH 20.07.22 |
| 14 | CT CASES 10987/2019 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Amit Prahalad Tiwari | - | Fresh Summon Be Issued To Accused NDOH 20.07.22 |
| 15 | CT CASES 14778/2019 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Amit Prahalad Tiwari | - | Fresh Summon Be Issued To Accused NDOH 20.07.22 |
| 16 | CT CASES 48872/2016 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Premium Metals And Ors | - | Fresh Summon Be Issued NDOH 11.07.22 |
| 17 | CT CASES 1426/2020 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Emkay Automobile Industries Ltd And Ors | - | Put Up For Pse NDOH 21.04.22 |
| 18 | CT CASES 17246/2016 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Ajay Kumar Garg | - | Bw Of Sum 20,000/-Issued Issued Against Accused Through Sho NDOH 04.07.22 |

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|----|------------------------|--|----------------------|--|---|---|
| 19 | CT CASES 2273/2020 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Gopal Luharka | - | Put Up For Pre Summoning Evidence NDOH 07.05.22 |
| 20 | CT CASES 48871/2016 | C.M.M , New Delhi, Phc | Swastik Pipe Ltd. | Eurex Scaform Pvt Ltd And Ors | - | Put Up For Report Of Mediation Settlement NDOH 23.07.22 |
| 21 | RSUIT/70/201 8 | Civil Judge Senior Division, Bahadurgarh | Swastik Pipe Ltd. | M/S Sawariya Trading Co. Plot No. 114 Gaziabad Through Deepak Aggarwal | - | For Ex-Parte Evidence NDOH 20.07.22 |
| 22 | RSUIT/71/201 8 | Civil Judge Senior Division, Bahadurgarh | Swastik Pipe Ltd. | M/S Jp Steel Gaziabad Through Anil Mittal | - | For Ex-Parte Evidence NDOH 20.07.22 |
| 23 | RSUIT/97/201 8 | Civil Judge Senior Division, Bahadurgarh | Swastik Pipe Ltd. | M/S Rubal Techno Enterprises Gurugram | - | For Ex-Parte Evidence NDOH 20.07.22 |
| 24 | CS/907/2017 | Civil Judge Senior Division, Ludhiana | Swastik Pipe Ltd. | Punjab Tubes Ltd | - | For Plaintiff Evidence And Further Cross Examination NDOH 28.04.22 |
| 25 | EXE/87/2019 | Civil Judge Senior Division, Bahadurgarh | Swastik Pipe Ltd. | M/S Shri Laxmi Udyog Pvt Ltd Through Partner Gaurav Sharma | - | Let Fresh Notice Be Issued To Jd Defendant NDOH 01.07.22 |
| 26 | SCC/1924/201 6 | Chief Judicial Magistrate, Jalgaon | Swastik Pipe Ltd. | Jaydurga Traders | - | Evidence Part Heard NDOH 10.06.22 |
| 27 | COMA 229/2018 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | Harsha Steel India, Bangalore | - | Let Fresh Notice To Accused Be Issued NDOH 26.05.22 |
| 28 | COMA 28/2014 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | M/S Shiva Udyog Barriers Pvt Ltd | - | Disposed Accused Stands Aquitted |
| 29 | COMA 332/2016 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | M/S Balaji Automotive Components | - | For Evidence Listed For Compromise NDOH 30.04.22 |

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|----|----------------------------------|---|-------------------|--------------------------------------|-----------|--|
| 30 | COMA 351/2015 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | Ms Subh Industrial Component | - | Dismissed As Withdrawn |
| 31 | COMA 352/2015 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | Ms Subh Industrial Component | - | Dismissed As Withdrawn |
| 32 | COMA 353/2015 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | Ms Subh Industrial Component | - | Dismissed As Withdrawn |
| 33 | COMA 385/2016 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | Dinesh Kapoor | - | Let Fresh Notice To Accused Be Issued NDOH 17.05.22 |
| 34 | COMA 610/2018 | Chief Judicial Magistrate, Bahadurgarh | Swastik Pipe Ltd. | Pardeep Joon | - | Let Nbw Issued Against Accused NDOH 24.05.22 |
| 35 | CR CASE COMPLAINT (P)/29657/2014 | Cjm Division, Patna, Sadar | Swastik Pipe Ltd. | Anuj Sharma | - | For Appearance NDOH 28.05.22 |
| 36 | CS(COMM) 295/2019 | District And Session Judge, West, Thc | Swastik Pipe Ltd. | Yogendra Kumar Gupta | - | Defendant For Exparte- Pe NDOH 13.05.22 |
| 37 | CS(COMM) 298/2019 | District And Session Judge, West, Thc | Swastik Pipe Ltd. | B.Dass Sole Prop M/S Dass Industries | - | Put Up For Service By Way Of Publication NDOH 28.07.22 |
| 38 | CS SCJ 1103/2017 | Senior Civil Judge, Central, Thc | Swastik Pipe Ltd. | Ramndeeep Singh | - | Defendant Proceeded Ex-Parte, Put Up For Ex Parte- Pe NDOH 30.05.22 |
| 39 | EX/202219/2016 | District And Session Judge South, Saket | Swastik Pipe Ltd. | Ms Mod Serap Industrial | - | Put Up For Appearance Of Jd NDOH 14.07.22 |
| 40 | IB/261/ND/2020 | Nclt-4 | Swastik Pipe Ltd. | Faridabad Stamping | 3,89,265 | Matter On Argument NDOH 17.05.2022 |
| 41 | IB/262/ND/2020 | Nclt-3 | Swastik Pipe Ltd. | Strolar Mounting | 34,27,620 | Final Argument NDOH 06.05.2022 |
| 42 | IB-774/ND/2020 | Nclt-2 | Swastik Pipe Ltd. | Ultra Mega Power Pvt. Ltd. | 2,54,206 | On Settlement |

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|----|---|----------------------------------|-------------------|-----------------------------------|-------------|--|
| 43 | CP 1236/2016 | Nclt | Swastik Pipe Ltd. | Maini Construction Equipment | 3,04,970 | Claim Filed Before Rp |
| 44 | C.P(IB)2815/MB/2019 I.A 944/2021; I.A 1282/2021; I.A 1413/2021 | Nclt Mumbai | Swastik Pipe Ltd. | Pan India Infra Project Pvt. Ltd. | 31,61,329 | Application For Liquidation Filed By Irp Is Pending Before Nclt Mumbai NDOH 25.04.2022 |
| 45 | IB/3173/ND/2019 | Nclt-5 | Swastik Pipe Ltd. | Emkay Automobile Industries Ltd. | 1,20,000,00 | Claim Filed On 26.10.2021 |
| 46 | ARB. PETITION NO .636/2020 | Arbitrator | Swastik Pipe Ltd. | D R T Pipes Pvt. Ltd. | 21,13,870 | Evidence To Be Filed NDOH 05.04.2022 |
| 47 | ARB.PETITION N 181/2020 | Arbitrator | Swastik Pipe Ltd. | Shri Madan Bassi | 19,10,787 | Soc To Be Filed NDOH 07.04.2022 |
| 48 | ARB.PETITION N 90/2021 | Arbitrator | Swastik Pipe Ltd. | Avon Industries | 21,36,035 | Reply To Be Filed. NDOH 08.04.2022 |
| 49 | ARB.PETITION N 101/2021 | Arbitrator | Swastik Pipe Ltd. | Naryana Steels | 41,25,721 | For Evidence NDOH 30.04.2022 |
| 50 | ARB.PETITION N 244/2021 | Arbitrator | Swastik Pipe Ltd. | K.S. Steel Industries | 5,76,807 | Evidence To Be Filed NDOH 19.04.2022 |
| 51 | ARB.PETITION N 252/2021 | Arbitrator | Swastik Pipe Ltd. | Kalpa Power Pvt. Ltd. | 4,56,430 | For Evidence NDOH 14.02.2022 |
| 52 | ARB.PETITION N 241/2021 | Arbitrator | Swastik Pipe Ltd. | Shri Ram Autotech Pvt. Ltd. | 15,63,217 | For Evidence |
| 53 | CM-23746-2000 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | State Of Haryana | - | Pending |
| 54 | CM-23747-2000 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | State Of Haryana | - | Pending |
| 55 | CM-29282-2000 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | State Of Haryana | - | Pending |
| 56 | CWP-12315-2017 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | State Of Haryana And Ors | - | Pending For Issue Notice Of Motion |
| 57 | CRM-A-309-2020 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | M/S Shiva Udyog Barriers Pvt Ltd | - | Pending NDOH 25.04.22 |

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|----|-------------------|--|------------------|---------------------|---|--|
| 58 | ARB.P 100/2021 | High Court Of Delhi | Swastik Pipe Ltd | Ms Dimple Verma | - | Petitioner Prays For Adjournment To Make Submissions NDOH 05.05.22 |
| 59 | CM-16620- 2000 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | State Of Haryana | - | Pending |
| 60 | CM-23745- 2000 | High Court Of Punjab And Haryana | Swastik Pipe Ltd | State Of Haryana | - | Pending |

II. Litigations involving our Promoters/Directors

A. Against our Promoters/Directors

Criminal Case

| S.N. | CASE NO. | COURT NAME | PLAINTIFF/PE TITIONER/CO MPLAINANT | DEFENDANT/ RESPONDEN T | AMOUNT INVOLVED | STATUS OF LITIGATION |
|------|-----------------------------------|--|--|--|--------------------|---|
| 01 | Case no. Ct. Cases 501/2018 | Additional Session Judge (Electricity) Tis Hazari Delhi | BSES Rajdhani Power Ltd. | Saraswati & Anr. (including Sandeep Bansal) | - | To obtain Court Bail. NDOH 19.05.2022 |

B. By our Promoters/Directors

Nil

III. Litigations involving our Group Entities

A. Against our Group Entities

Nil

B. By our Group Entities:

Nil

IV. Litigations relating to the Subsidiary Company

A. Against Directors of our Subsidiary Company Nil

B. By Directors of our Subsidiary Company Nil

Note: The Company do not have any subsidiary company as on the date of this Legal Due Diligence Report

V. Other litigations involving any other entities which may have a material adverse effect on our Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or

finances of our Company or have a material adverse effect on the position of our Company.

VI. Details of the past penalties imposed on our Company / Directors

Except as disclosed above as on the date of this Draft Red Herring Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on 30th November, 2021, our Company had outstanding dues to creditors as follows:

(Amount in Lakh)

| Particulars | 30 th November, 2021 |
|-------------------------------------|---------------------------------|
| Trade Payables | |
| Micro, Small and Medium Enterprises | 0.00 |
| Others | 6443.73 |
| Total | 6443.73 |

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website www.swastikpipes.com would be doing so at their own risk.

VIII. Material developments occurring after last balance sheet date, that is November 30, 2021.

Except as disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Company beginning on page number 191 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

We certify that except as stated herein above:

- a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoters / Directors in their personal capacity.
- g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.

- h. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.***
- i. There are no the status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.***
- j. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.***
- k. Neither the Company nor any of its promoters or directors is a willful defaulter.***

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 123 of the Draft Red Herring Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on March 12, 2022, has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated March 28, 2022 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated March 02, 2022, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has also entered into an agreement dated March 14, 2022 with the National Securities Depository Limited (NSDL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
3. The Company's International Securities Identification Number (ISIN) is INE0DGC01025.

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INCORPORATION DETAILS OF OUR COMPANY

| S.N. | Authorisation granted | Issuing Authority | CIN/Registration No. | Date of Issue | Valid upto |
|------|---|-------------------|-----------------------|------------------|------------|
| 1. | Certificate of Incorporation in the name of –Swastik Pipes Private Limited” | ROC, Delhi | 06881 | October 10, 1973 | Perpetual |
| 2. | Certificate of Incorporation for conversion from Private to Public company in the name of “Swastik Pipes Limited” | ROC, Delhi | U74899DL1973PLC006881 | March 21, 2003 | Perpetual |
| 3. | Certificate of Incorporation for Change of name from “Swastik Pipes Limited” to “Swastik Pipe Limited” | ROC, Delhi | U74899DL1973PLC006881 | April 03, 2013 | Perpetual |

TAX RELATED AUTHORISATIONS

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|------|--|---|--|---------------|--------------------------|
| 1. | Permanent Account Number | Income Tax Department, GoI | AAACS0322C | 10/10/1973 | Perpetual |
| 2. | Tax Deduction Account Number | Income Tax Department, GoI | DELS20841C | | Perpetual |
| 3. | GST Certificates | | | | |
| | GST Registration Certificate (Uttar Pradesh) | Central Board of Excise and Custom (CBEC) | 09AAACS0322C1Z1 | 01/07/2017 | Valid until cancellation |
| | GST Registration Certificate (Haryana) | Central Board of Excise and Custom (CBEC) | 06AAACS0322C1Z7 | 01/07/2017 | Valid until cancellation |
| | GST Registration Certificate (Delhi) | Central Board of Excise and Custom (CBEC) | 07AAACS0322C2Z4 | 01/11/2018 | Valid until cancellation |
| | GST Registration Certificate (Delhi) | Central Board of Excise and Custom (CBEC) | 07AAACS0322C1Z5 | 01/07/2017 | Valid until cancellation |
| | GST Registration Certificate (Raipur) | Central Board of Excise and Custom (CBEC) | 22AAACS0322C1ZD | 06/02/2018 | Valid until cancellation |
| | GST Registration Certificate (Bengaluru) | Central Board of Excise and Custom (CBEC) | 29AAACS0322C1ZZ | 01/07/2017 | Valid until cancellation |

| | | | | | |
|--|--|---|-----------------|------------|--------------------------|
| | GST Registration Certificate (Roorkee) | Central Board of Excise and Custom (CBEC) | 05AAACS0322C1Z9 | 01/07/2017 | Valid until cancellation |
|--|--|---|-----------------|------------|--------------------------|

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| Sr. No. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Valid Upto |
|---------|-------------------------------|---|--|---------------|------------|
| 1. | Importer-Exporter Certificate | Directorate General of Foreign Trade, Ministry of Commerce and Industry | 0592015700 | 29/07/1992 | Perpetual |
| 2. | ISO 9001:2015 | INTERCERT | IC-QM-1906120 | 28/08/2019 | Perpetual |
| 3. | Star Export House | Ministry of Commerce & Industry Office of Additional Director General of Foreign Trade | G-18843 | 05/08/2021 | 18/09/2025 |

Material licenses/approvals for which our Company is yet to apply/ Statutory Approvals/ Licenses required for the proposed expansion.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on March 12, 2022.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on March 28, 2022 and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated April 20, 2022.
5. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled *–Government and Other Approvals*” beginning on page number 209 of this Draft Red Herring Prospectus.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof pending against them.

Our Directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, our and Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

Directors associated with the Securities Market

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than 10.00 Cr. and upto 25.00 Cr. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of four Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to -General Information - Underwriting on page 40 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) 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 four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Lead Manager shall ensure that the Issuer shall file a copy of the Draft Red Herring Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled -*General Information – Details of the Market Making Arrangements for this Issue* on page 40 of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board;
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, None of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.

- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued. For more details please refer page 209 of this Draft Red Herring Prospectus.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

NSE ELIGIBILITY NORMS:

1. The Company has been incorporated under the Companies Act, 1956 in India

Our Company was incorporated on 10/10/1973 under the Companies Act, 1956

2. The post issue paid up capital of the Company (face value) will not be more than ₹. 2,500.00 Lakh.

The present paid-up capital of our Company is ₹. 16,97,94,600 and we are proposing issue of 62,51,200 Equity Shares of ₹. 10/- each at issue price of ₹. [●] per Equity Share including share premium of ₹. [●] per Equity Share, aggregating to ₹. [●] Lakh. Hence, our Post Issue Paid up Capital will be approximately ₹. [●] Lakh which less than ₹.2,500.00 Lakh

3. Positive Net worth

Net worth of the Company as on November 30, 2021 is ₹. 11,331.72 Lakh.

4. Track record

A. The company should have a (combined) track record of atleast 3 years.

Our Company got incorporated on October 10, 1973 and therefore has a track record as specified by National Stock Exchange of India Limited.

B. The Company has combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

(Rs. In Lakh)

| Particulars | As on 31 st March, 2021 | As on 31 st March, 2020 | As on 31 st March, 2019 |
|---|------------------------------------|------------------------------------|------------------------------------|
| Operating profit (earnings before interest, depreciation and tax) | 2,772.94 | 958.82 | 2968.62 |

| Particulars | As on 31 st March, 2021 | As on 31 st March, 2020 | As on 31 st March, 2019 |
|---------------------------|------------------------------------|------------------------------------|------------------------------------|
| Share Capital | 920.10 | 920.10 | 920.10 |
| Add: Reserves and Surplus | 7,209.42 | 7,060.78 | 8,450.03 |
| Net Worth | 8,129.51 | 7,980.87 | 9,370.13 |

Net worth includes Share Capital and Reserves (excluding revaluation reserves), Miscellaneous Expenditure not written-off, if any & Debit Balances of Profit and Loss Account not written-off, if any)

5. Other Requirements

- It is mandatory for the company to have a website
The Company has a website: www.swastikpipes.com
- It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

tripartite agreement dated March 14, 2022 with NSDL, our Company and Registrar to the Issue; tripartite agreement dated March 02, 2022 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: **INE0DGC01025**.

- There should not be any change in the Promoters of the company in preceding one year from date of filing the application to NSE for listing under SME segment.
- None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
- Further, except as mentioned in this Section titled "Outstanding Litigation and Material Developments" on page 200 there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

6. Disclosure

1. The Company has not been referred to Board for Industrial and Financial Reconstruction.
2. No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
3. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.

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 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

None of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud- Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING 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 THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MANAGER, CORPORATE

CAPITALVENTURES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED APRIL 19, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND 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 THE DRAFT RED HERRING PROSPECTUS.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.swastikpipes.com would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager 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 Equity Shares.

Price Information and the track record of the past Issues handled by the Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to **Annexure A** to the Draft Red Herring Prospectus and the website of the Lead Manager at <https://www.ccvindia.com/>

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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹. 2,500 Lakh, pension funds with minimum corpus of ₹.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring 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 Red Herring 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 the jurisdiction of appropriate court(s) in Delhi only. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since 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 U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

National Stock Exchange of India Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. National Stock Exchange of India Limited (NSE) does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE Emerge; or

- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (-U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8

days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013. 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 Limited mentioned above are taken within six Working Days from the Offer Closing Date.

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) 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. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

CONSENTS

Consents in writing of: (a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report is not withdrawn upto the time of delivery of this Draft Red Herring Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Statutory Auditors for period ended on 30th November 2021, March 31, 2021, 2020 and 2019 and Legal Advisor report on Outstanding Litigations and Material Developments, included in this Draft Red Herring Prospectus, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous public issues since incorporation, and are an -Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an -Initial Public Offering in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled - Capital Structure beginning on page 47 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our 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 our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY

Our Company has not undertaken any public or rights issue in the five (5) years preceding the date of this Draft Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS-PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

The Company does not have any subsidiary company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an –Unlisted Issuer^{ll} in terms of the SEBI (ICDR) Regulations, and this Offer is an –Initial Public Offering^l in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year 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 this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances.

We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working 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.

Our Company has appointed Ms. Banani Sikdar as the Company Secretary and Compliance Officer and may be contacted at the following address:

SWASTIK PIPE LIMITED

2, Arihant Nagar, Punjabi Bagh (W), New Delhi 110026

Tel: +91-9899075404

Email: cs@swastikpipes.com Website: www.swastikpipes.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in their respective beneficiary account or refund orders, *etc.*

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SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the 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 has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated

November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public offers by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

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 the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on March 12, 2022, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on March 28, 2022.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 2013. For further details, please refer to the chapter titled "Dividend Policy" beginning on pages 158 of this Draft Red Herring Prospectus.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹. 10/- and the Offer Price at the lower end of the Price Band is ₹. [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹. [●] per Equity Share (“**Cap Price**”).

The Anchor Investor Offer Price is ₹. [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange. The Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled –Basis of Issue Price beginning on page 84 of this Draft Red Herring Prospectus.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI fromtime to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI(LODR), 2015 and the Memorandum and Articles of Association of the Company.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹. 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. 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 Red Herring Prospectus:

- Tripartite agreement dated March 02, 2022 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated March 14, 2022 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited 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 Shares 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.

Minimum Number of Allottees

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 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 SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (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.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, -U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues 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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one 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 the prescribed manner, 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 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 our Registered Office or Corporate Office or to the registrar

and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. 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 monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in –Capital Structure on page 47 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer –Main Provisions of Articles of Association on page 257 of this Draft Red Herring 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 herein above. 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 the Draft Red Herring 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.

Withdrawal of the Issue

Our Company in consultation with the BRLM, 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 Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs 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 Exchanges on which Equity Shares are proposed to be listed.

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 (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

Bid/Offer Programme

| | |
|----------------------------|------------------|
| BID/OFFER OPENS ON | [•] ¹ |
| BID/OFFER CLOSES ON | [•] ² |

- (1) Our Company and Selling Shareholders may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.
- (2) Our Company and the Selling Shareholder may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is disclosed below:

| Event | Indicative Date |
|--|-----------------|
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or about [•] |
| Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account* | On or about [•] |
| Credit of Equity Shares to dematerialized accounts of Allottees | On or about [•] |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about [•] |

**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 Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹. 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholder confirms that he shall extend all reasonable support and co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

The SEBI is in the process of streamlining and reducing the post offer timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with 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 terms of the UPI Circulars, in relation to the Offer, the BRLM will submit report 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.

Submission of Bids (Other than Bids from Anchor Investors)

Bid/Offer Period (except the Bid/Offer Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

Bid/Offer Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, Selling Shareholder or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken

as the final data for the purpose of Allotment.

Our Company and the Selling Shareholder, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and Selling Shareholder may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and 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 is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹. 1,00,000 (Rupees One Lac only) per application.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above ₹. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through*

postal ballot wherein the votes cast by the shareholders other than the Promoters in favor 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 NSE Limited 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

b. *If the paid-up Capital of our company is more than ₹. 10 Crores but below ₹. 25 Crores, our Company 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal. Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge platform of NSE has to fulfill following conditions:*

- a. *The increase in post issue face value capital beyond ₹. 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b. *The company should have a minimum turnover of ₹. 100 crore as per last audited financials and market capitalization of ₹. 100 crore.*
- c. *The company should have a minimum profit before tax of ₹. 10 crore for two years out of three preceding years.*
- d. *There should not be any action against the company by any regulatory agency at the time of application for migration.*

Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the market making arrangement please refer to chapter titled –General Information beginning on page 40 of this Draft Red Herring Prospectus.

Arrangements for disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] 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.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 47 of this Draft Red Herring 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. 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 the 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.

Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on 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 provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

ISSUE PROCEDURE

All Bidders should read 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 and the UPI Circulars (“**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 SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by Retail Individual Bidders through the UPI Mechanism.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.

The SEBI vide 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, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 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 Bids by RIBs 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 Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by the SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the 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 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 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 Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Our Company, the Selling Shareholder and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Further, our Company, Selling Shareholder and the Members of Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

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 combination of categories of Bidders at the discretion of our Company and the Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

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, UPI 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 Mechanism, the UPI Circulars propose to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum 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.
- b. Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- c. Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Circular, 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 for 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 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. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company 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 Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The Retail Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|-------------------------------------|
| Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis | [•] |
| Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis | [•] |
| Anchor Investors | [•] |

*Excluding electronic Bid cum Application Form

Note:

- 1) Electronic Bid Cum Application Forms will also be available for download on the website of the NSE (www.nseindia.com).
- 2) Bid cum Application Forms for Anchor Investors will be made available at the office of BRLM.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchange. For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated

Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date (“Cut-Off Time”). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability.

Electronic registration of Bids

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder 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: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI

and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "Restrictions on Foreign Ownership of Indian Securities" beginning on page 251. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer 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 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i) such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Bids by SEBI-registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) 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 the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other

categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

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.

The Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction

– Ownership in Private Sector Banks, Directions, 2016, see “Key Regulations and Policies” beginning on page 123.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI 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 such applications.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- (a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) 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 reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, 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 (a), (b) and (c) 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 ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, 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 and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, 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 must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 200 lakhs. A Bid cannot be submitted for over 60.00% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.
- 5) Our Company, in consultation with the BRLM will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 1. maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 200 lakhs;
 2. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 200 lakhs but up to ₹ 2,500 lakhs, subject to a minimum Allotment of ₹ 100 lakhs per Anchor Investor; and
 3. in case of allocation above ₹ 2,500 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 lakhs, and an additional 10 Anchor Investors

for every additional ₹ 2,500 lakhs, subject to minimum allotment of ₹ 100 lakhs per Anchor Investor.

- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM shall apply under the Anchor Investors category.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchange to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the BRLM are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

GENERAL INSTRUCTIONS

Do"s:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum 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 Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders 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 investors 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;

15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, 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, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. 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 Bid/ Offer Closing Date;
25. RIBs shall ensure that details of the Bid 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, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) 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 www.sebi.gov.in); and

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DPIDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Anchor Investors should not Bid through the ASBA process;
12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
14. Do not submit the General Index Register (GIR) number instead of the PAN;
15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not Bid 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 depository);
18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
19. Do not submit a Bid using UPI ID, if you are not a RIB;
20. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not Bid for Equity Shares in excess of what is specified for each category;
22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
25. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
26. Do not Bid if you are an OCB; and
27. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “General Information” and “Our Management” beginning on pages 40 and 137 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “General Information” beginning on page 40.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;

4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs 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);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “General Information” beginning on page 40.

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 Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹. 100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM 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 NSE (The Designated Stock Exchange). In the event of oversubscription, 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 drawl 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.

Basis of Allotment in the event of under subscription

In the event of under subscription in the offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the offer size 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 NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer 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 offer. 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.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the offer on March 14, 2022.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the offer on March 02, 2022.

The Company's Equity shares bear an ISIN No. INE0DGC01025.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- 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.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- 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.
- 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.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- 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.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"; and

(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Selling Shareholder and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions [●]), an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation.

In the Pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholder and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹. 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹. 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹. 50/- Lakh or with both.

Undertakings by Our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

Utilization of Offer Proceeds

Our Board certifies that:

- all monies received out of the Fresh 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 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 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. Foreign investment is allowed up to 100% under automatic route in our Company.

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 Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “Issue Procedure” beginning on page 231.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (–DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “Issue Procedure” beginning on page 231.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, 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 (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder 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 Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 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 U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 Bids 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 Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

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ISSUE STRUCTURE

This Offer has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post issue face value capital is more than 10.00 Cr. and upto 25.00 Cr. The Company shall issue specified securities 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 National Stock Exchange of India Limited). For further details regarding the salient features and terms of such Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 222 and 231 of this Draft Red Herring Prospectus.

Initial Public offering of up to 62,51,200 Equity Shares for cash at a price of ₹. [●] (including a premium of ₹. [●] aggregating up-to ₹. [●] Lakh by our Company. The Issue comprises a net issue to the public of up- to [●] Equity shares (the Net Issue). The Issue will constitute [●] % of the post- Issue paid-up Equity Share capital of our Company and the Net Issue will constitute [●] % of the post- Issue paid-up Equity Share capital of our Company.

*Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.

The offer is being made by way of Book Building Process

| Particulars | QIBs ⁽¹⁾ | Non- Institutional Bidders | Retail Individual Bidders | Market Maker |
|--|--|---|--|-------------------------|
| Number of Equity Shares available for Allotment/allocation*⁽²⁾ | 25,12,000 Equity Shares | 12,16,000 Equity Shares | 22,08,000 Equity Shares | 3,15,200 Equity Shares |
| Percentage of Offer Size available for Allotment/allocation | Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only. | Not less than 15.00% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation | Not less than 35.00% of the Offer or the Offer less allocation to QIB Bidders and Non- Institutional Bidders shall be available for allocation | [●] % of the Offer Size |

| | | | | |
|--|---|---|---|--|
| Basis of Allotment/allocation if respective category is oversubscribed* | Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [•] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [•] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [•] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Issue Procedure” beginning on page 231 of the Draft Red Herring Prospectus. | Proportionate | Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Issue Procedure” on page 231. | Firm Allotment |
| Mode of Bidding | ASBA Process only (excluding Anchor Investors) | ASBA Process only | ASBA only (including the UPI Mechanism) | ASBA Process Only |
| Minimum Bid | Such number of Equity Shares in multiples of [•] Equity Shares that the Application size exceeds ₹ 2,00,000 | Such number of Equity Shares in multiples of [•] Equity Shares such that the Application size exceeds ₹ 2,00,000 | [•] Equity Shares | [•] Equity Shares |
| Maximum Bid | Such number of Equity Shares in multiples of [•] Equity Shares not exceeding the size of the offer, subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of [•] Equity Shares not exceeding the size of the offer, subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000 | Up to [•] Equity |
| Trading Lot | [•] 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. |

| | |
|--------------------------|--|
| Mode of Allotment | Compulsorily in Dematerialised Mode |
| Bid Lot | [•] Equity Shares and in multiples of [•] Equity Shares thereafter |
| Allotment Lot | A minimum of [•] Equity Shares and thereafter in multiples [•] Equity Share |
| Trading Lot | [•] Equity Shares and in multiples [•] Equity Share |
| Terms of Payment | <p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids (3)</p> <p>In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bankaccount of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for RIIs), that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> |

* Assuming full subscription in the Offer

Note:

⁽¹⁾ Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “Issue Procedure” on page 231.

⁽²⁾ Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 253 of the SEBI ICDR Regulations.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non- Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see “Terms of the Issue” on page 222.

⁽³⁾ Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

Withdrawal of the Offer

Our Company, in consultation with the BRLM, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and shall promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed. The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company, in consultation with the BRLM withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an initial public offering of the Equity Shares, our Company shall file a fresh Draft Red

Herring Prospectus with Stock exchange. Notwithstanding the foregoing, this Offer 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 within six Working Days of the Bid/Offer Closing Date or such other period as per applicable law; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

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SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

ARTICLES OF ASSOCIATION

OF

SWASTIK PIPE LIMITED

(THE "COMPANY")

1. CONSTITUTION OF THE COMPANY

(a) The regulations contained in table "F" of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.

(b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

2. DEFINITIONS AND INTERPRETATION

A. Definitions

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- a. "Act" means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting provisions of the Companies Act, 1956, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- b. "Annual General Meeting" shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.
- c. "Articles" shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- d. "Auditors" shall mean and include those persons appointed as such for the time being by the Company.
- e. "Board" or "Board of Directors" shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
- f. "Board Meeting" shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- g. "Business Day" shall mean a day on which scheduled commercial banks are open for normal banking business;
- h. "Capital" or "Share Capital" shall mean the authorized share capital of the Company.
- i. "Chairman" shall mean such person as is nominated or appointed in accordance with Article 35 herein below.
- j. "Companies Act, 1956" shall mean the Companies Act, 1956 (Act I of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.
- k. "Company" or "this Company" shall mean Swastik Pipe Limited.
- l. "Committees" shall have the meaning ascribed to such term in Article 66.
- m. "Depositories Act" shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- n. "Director" shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- o. "Dividend" shall include interim dividends.
- p. "Encumbrance" shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- q. "Equity Share Capital" shall mean the total issued and paid-up equity share capital of the Company.
- r. "Equity Shares" shall mean fully paid-up equity shares of the Company or any other issued Share Capital of the Company

that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.

- s. “Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- t. “Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.
- u. “Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- v. “Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- w. “Memorandum” shall mean the memorandum of association of the Company, as amended from time to time.
- x. “Office” shall mean the registered office for the time being of the Company.
- y. “Paid-up” shall include the amount credited as paid up.
- z. “Person” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
 - (aa) “Public Company” shall mean Company within the meaning of Section 2(71) of the Companies Act, 2013 as amended from time to time.
 - (ab) “Register of Members” shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act.
 - (ac) “Registrar” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
 - (ad) “Rules” shall mean the rules made under the Act and as notified from time to time.
 - (ae) “Seal” shall mean the common seal(s) for the time being of the Company, if any.
 - (af) “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
 - (ag) “SEBI Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.
 - (ah) “Securities” or “securities” shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.
 - (ai) “Shares” or “shares” shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.
 - (aj) “Shareholder” or “shareholder” or “member” shall mean any shareholder of the Company, from time to time.
 - (ak) “Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.
 - (al) “Stock Exchanges” shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

B. Interpretation

In these Articles (unless the context requires otherwise):

- a. References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
- b. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- c. References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.

- d. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- e. Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- f. The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- g. Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- h. In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

- a. The Authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.
- b. The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles.
- c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.
- e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- f. Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.
- g. The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

5. PREFERENCE SHARES

a. Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

b. Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

6. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

- a. No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b. No such shares shall be redeemed unless they are fully paid;
- c. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- d. Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital

Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

- e. The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- g. Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

7. COMPANY'S LIEN:

A. On shares:

- a. The Company shall have a first and paramount lien:

(I) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(II) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

- b. The Company's lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

- c. For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and

may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;

Provided that no sale of such shares shall be made :

(I) unless a sum in respect of which the lien exists is presently payable; or

(II) until the expiration of 14 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.

The net proceeds of any such 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. 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.

d. No Shareholder shall exercise any voting right in respect of any shares or Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

e. Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities.

8. CALLS

a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

b. 14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.

d. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

e. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

f. If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment thereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.

g. Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

h. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.

i. The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.

j. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.

k. No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.

9. TRANSFER AND TRANSMISSION OF SHARES

a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.

b. In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

c. I. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

II. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless

the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

d. Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

e. Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in Article 72(g) be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the shares.

f. The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

g. Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a 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 where the Company has a lien on shares.

h. Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

i. Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number.

j. In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

k. The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint- holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 9 (a) of these Articles register the name of any Person who claims

to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

l. (I) Subject to the provisions of Articles and the Act, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

m. A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

(I) Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to register himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(II) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a unpaid dividend account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

(III) In case of transfer and transmission of shares or other securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

n. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

o. No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration or other similar documents.

p. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

q. The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

10. DEMATERIALIZATION OF SECURITIES

a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed there under, if any.

b. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

c. 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.

d. Securities in Depositories to be in fungible form :

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

e. Rights of Depositories & Beneficial Owners:

(I) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(II) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(III) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(IV) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

f. Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l).

g. Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

h. Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

i. Service of Documents:

Notwithstanding anything contained in the Act or these 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 floppies or discs.

j. Transfer of Securities:

(I) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(II) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(III) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository;

k. Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

l. Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

m. Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

n. Depository to furnish information :

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

o. Option to opt out in respect of any such Security:

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

p. Overriding effect of this Article:

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

11. FORFEITURE OF SHARES

a. If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

c. If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

d. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it

stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

e. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

f. Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

g. The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

h. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

i. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

j. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

k. The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

l. The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

12. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

a. increase its Share Capital by such amount as it thinks expedient;

b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares :

c. Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

d. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;

e. sub-divide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, 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; and

f. cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

13. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

14. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

15. POWER TO MODIFY RIGHTS

a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

b. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

c. 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.

16. REGISTERS TO BE MAINTAINED BY THE COMPANY

a. The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act

(I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(II) A register of Debenture holders; and

(III) A register of any other security holders.

b. The Company may keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

c. The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

17. SHARES AND SHARE CERTIFICATES

a. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

b. A duplicate certificate of shares may be issued, if such certificate:

(I) is proved to have been lost or destroyed; or

(II) has been defaced, mutilated or torn; and is surrendered to the Company.

c. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.

d. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, 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 Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate 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.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

e. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

f. When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

g. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

h. The Secretary of the Company or of such other person as the Board may authorize for the purpose shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article.

i. All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

j. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

k. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

l. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

18. SHARES AT THE DISPOSAL OF THE DIRECTORS

a. Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.

b. Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.

c. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered

holder of the shares or by his executor or administrator.

d. Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

e. In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(I) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed there under. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

(II) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one 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 in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding ₹. 20 (Rupees 20).

(III) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.

(IV) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

19. UNDERWRITING AND BROKERAGE

a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

20. FURTHER ISSUE OF SHARE CAPITAL

a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(I) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following

conditions, namely:

A. 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, shall be deemed to have been declined;

B. 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 Article 20(a)(I)A above shall contain a statement of this right;

C. after the 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 Shareholders and the Company.

(II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) 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 the Rules and such other conditions, as may be prescribed under Law.

b. The notice referred to in sub-clause A of Article 20(a)(I)(A) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

c. Nothing in this Article shall apply to the increase of the subscribed capital of a 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;

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.

d. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

21. NOMINATION BY SECURITIES HOLDERS

a. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b. Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.

c. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

22. NOMINATION FOR DEPOSITS

A security holder may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

23. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

24. BORROWING POWERS

a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

- (I) accept or renew deposits from Shareholders;
- (II) borrow money by way of issuance of Debentures ;
- (III) borrow money otherwise than on Debentures;
- (IV) accept deposits from Shareholders either in advance of calls or otherwise; and
- (V) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future. and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued 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, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holders resident in that state or country.

e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in

such form as decided by the Board from time to time.

f. The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

25. SHARE WARRANTS

a. Share warrants may be issued as per the provisions of applicable Law.

b. Power to issue share warrants

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

c. Deposit of share warrant

(I) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

(II) Not more than one person shall be recognised as depositor of the share warrant.

(III) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

d. Privileges and disabilities of the holders of share warrant

(I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

(II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

e. Issue of new Share Warrant or Coupon

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

26. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

a. The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account 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 privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c. Where the shares are converted into stock, such of the Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock -holder" respectively.

27. CAPITALISATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- a. that it is desirable to capitalize 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 Company's profit and loss account or otherwise, as available for distribution, and
- b. that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- c. The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

- (I) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
 - (II) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
 - (III) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- d. A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

28. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

- a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28.
- b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

- (I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
 - (II) generally do all acts and things required to give effect thereto.
- c. The Board shall have full power:

- (I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and
 - (II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- d. Any agreement made under such authority shall be effective and binding on all such shareholders.

29. ANNUAL GENERAL MEETING

In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

30. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

- a. Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

32. NOTICE OF GENERAL MEETINGS

a. Number of days' notice of General Meeting to be given : A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
- (II) Auditor or Auditors of the Company, and
- (III) All Directors.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

b. Notice of meeting to specify place, etc., and to contain statement of business : Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

c. Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules there under personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

d. Special Business : Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act.

e. Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

f. Notice of Adjourned Meeting when necessary : When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

g. Notice when not necessary: 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 meeting.

h. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

33. REQUISITION OF EXTRAORDINARY GENERAL MEETING

- a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- b. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- d. Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

35. CHAIRMAN

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

37. DEMAND FOR POLL

- a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting

is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

b. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

d. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

e. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.

f. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

h. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

38. PASSING RESOLUTIONS BY POSTAL BALLOT

a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company 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 the same by way of postal ballot.

b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

39. VOTES OF MEMBERS

a. No Shareholder shall be entitled to vote 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 name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- c. On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- d. A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- e. If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- f. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- g. Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- h. Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- i. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- j. A Shareholder present by proxy shall be entitled to vote only on a poll.
- k. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.
- l. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- m. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
- n. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(II) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for

that purpose.

(III) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(VI) Any such Minutes shall be evidence of the proceedings recorded therein.

(VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of :

A. the names of the Directors and Alternate Directors present at each General Meeting;

B. all Resolutions and proceedings of General Meeting.

o. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

p. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

q. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

40. DIRECTORS

a. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

b. Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.

c. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

41. CHAIRMAN OF THE BOARD OF DIRECTORS

a. The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

b. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

42. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed

and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

43. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

44. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

45. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations.

46. NOMINEE DIRECTORS

a. The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company.

b. So long as any moneys remain owing by the Company to The Industrial Development Bank of India, Industrial Finance Corporation of India, The Industrial Credit and Investment Corporation of India Limited, The Industrial Reconstruction Corporation of India Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Limited, The Oriental Fire & General Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Ltd., or any State Financial Corporation or any Financial Institution owned or controlled by the Central Government or any State Government or the Reserve Bank of India or by two or more of them by Central Government themselves (each of the above and Unit Trust of India are hereinafter referred to as the Corporation) out of any loans/debentures, assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of any guarantee furnished by the Corporation on behalf of the Company and remaining outstanding, the Corporation shall have a right to appoint from time to time, any person as Director, Whole Time or non-Whole Time (which Director or Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their places. The Board shall have no power to remove from the office of the Nominee Directors. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

47. PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of

underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.

48. APPOINTMENT OF SPECIAL DIRECTORS

On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

49. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

50. REMUNERATION OF DIRECTORS

- a. Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- b. Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- c. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- d. All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules there under and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

51. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

52. MISCELLANEOUS EXPENSES OF DIRECTORS

In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them : (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

53. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

54. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR

a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.

b. Subject to the applicable provisions of the Act, 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.

55. RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST

The Company shall comply with the applicable provisions of the Act, Rules framed there under and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

56. RETIREMENT OF DIRECTORS BY ROTATION

a. At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.

b. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

a. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

b. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:

(I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;

(III) he is not qualified or is disqualified for appointment;

(IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or

(V) Section 162 of the Act is applicable to the case.

58. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or

whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules there under. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Whole Time Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Whole Time Director or Deputy Managing Director or Manager be determined.

59. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

- a. Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager.
- b. The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules there under and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

60. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, Whole Time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary all or any of such powers.

61. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

- a. to make calls on Shareholders in respect of money unpaid on their shares;
- b. to authorise buy-back of securities under Section 68 of the Act;
- c. to issue securities, including debentures, whether in or outside India;
- d. to borrow money(ies);
- e. to invest the funds of the Company;
- f. to grant loans or give guarantee or provide security in respect of loans; and
- g. any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

62. PROCEEDINGS OF THE BOARD OF DIRECTORS

- a. At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.
- b. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters

as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

c. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

d. The Board may meet either at the Office of the Company, or at any other location in India or outside India, as the Chairman may determine.

e. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

f. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

63. QUORUM FOR BOARD MEETING

a. Quorum for Board Meetings

(I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

(II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

64. CASTING VOTE

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. 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.

65. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

a. The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.

b. The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

(I) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

(II) Remit, or give time for repayment of, any debt due by a Director;

(III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

(IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years.

c. Certain Powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:

(I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.

(II) Payment out of Capital: To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act,

(III) To acquire property: Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,

(IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(V) To secure contracts : To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

(VI) To accept surrender of shares: To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

(VII) To appoint Trustees: To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

(VIII) To bring and defend actions : To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.

(IX) To act in insolvency matters: To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(X) To give receipts: To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.

(XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

(XII) To provide for Personal Liabilities: To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon.

(XIII) To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.

(XIV) To distribute bonus: To distribute by way of bonus amongst the staff of the Company a share in the profits of the

Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

(XV) To provide for welfare of employees : To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.

(XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(XVII) To appoint managers etc. : To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit.

(XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

(XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.

(XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board under the Seal of the Company), to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly, or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any

such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time-being vested in them.

(XXI) To negotiate: Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient.

(XXII) To make and vary Regulations : From time to time make, vary or repeal bye-laws for the regulation of the business of the Company, its officers and servants.

(XXIII) Amendments to Accounts: Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval.

(XXIV) To formulate schemes, etc.: Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

66. COMMITTEES AND DELEGATION BY THE BOARD

a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations, as applicable. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

c. The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

67. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

a. All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

b. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, 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.

68. PASSING OF RESOLUTION BY CIRCULATION

a. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of

the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

69. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

a. The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

70. THE SECRETARY

Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

71. SEAL

a. The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.

b. Subject to Article 72 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (two) Directors and the Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

72. DIVIDEND POLICY

a. The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

b. Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

c. No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.

d. Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

e. Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst

carrying interest, confer a right to participate in profits or Dividend.

f.

(I) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(II) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.

(III) 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 shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

g. Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

h. Any one of several Persons who are registered as the joint -holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

i. Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

j. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

k. Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint -holders of any Share(s) any one of them can give effectual receipts for any money (ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands, shall for the purposes of this Article be deemed to be joint-holders thereof.

l. No unpaid Dividend shall bear interest as against the Company.

m. Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls.

n. Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

73. UNPAID OR UNCLAIMED DIVIDEND

a. Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.

b. Subject to provisions of the Act, any money so 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 Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”.

c. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

74. ACCOUNTS AND BOARD’S REPORT

a. The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.

b. In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a ‘Board’s report’ as to the state of the Company’s affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor’s report and by the company secretary in practice in his secretarial audit report.

c. The Company shall comply with the requirements of Section 136 of the Act.

75. DOCUMENTS AND NOTICES

a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier, to him to his registered address.

b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

c. A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.

d. Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

e. Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, Photostat or lithographed.

f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

g. Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

76. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

77. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

78. WINDING UP

- a. If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b. 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 Shareholders or different classes of Shareholders.
- c. 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.

79. INDEMNITY

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

80. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.

81. SIGNING OF CHEQUES

Subject to applicable Law and Section 64 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine.

82. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

83. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.

84. SECRECY OF WORKS OR INFORMATION

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature

of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

85. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law a except so far as may be necessary in order to comply with any of the provision of these Articles or Law.

86. AUTHORIZATIONS

- a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein).
- b. If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

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SECTION X- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 2, Arihant Nagar, Punjabi Bagh, West Delhi 110026 India from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement dated March 31, 2022 between our company and the Lead Manager.
2. Agreement dated March 31, 2022 between our company and the Registrar to the Issue.
3. Public Issue Agreement dated March 31, 2022 among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated March 31, 2022 between our company and the Underwriters.
5. Market making Agreement dated [●] between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated March 14, 2022.
7. Agreement among CDSL, our company and the registrar to the issue dated March 02, 2022.

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 March 12, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated March 28, 2022 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Lead Manager, Registrar to the Issue, Peer review Auditor and Legal Advisor to act in their respective capacities.
5. Peer Review Auditors Report dated March 12, 2022 on Restated Financial Statements of our Company for the period ended November 30, 2021 and for the years ended March 31, 2021, 2020 and 2019.
6. The Report dated April 12, 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 Red Herring Prospectus.
7. The Report dated April 13, 2022 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
9. Due diligence certificate dated April 19, 2022 from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI - DECLARATION

We, hereby declares that, all the 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 Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case maybe. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

| Signed by the Directors of our Company | | | | |
|--|----------------------|---------------|-------------------------|-----------|
| S.N. | Name | Category | Designation | Signature |
| 1. | Sandeep Bansal | Executive | Managing Director | sd/- |
| 2. | Dinesh Kumar Dhanda | Executive | Director | sd/- |
| 3. | Surinder Singh | Executive | Director | sd/- |
| 4. | Rajinder Kumar Anand | Non-Executive | Independent Director | sd/- |
| 5. | Vishal Dugar | Non-Executive | Independent Director | sd/- |
| 6. | Sony Kumari | Non-Executive | Independent Director | sd/- |
| Signed by the Chief Financial Officer and Company Secretary of our Company | | | | |
| 7. | Banani Sikdar | Whole-Time | Company Secretary | sd/- |
| 8. | Gulshan Rai | Whole-Time | Chief Financial Officer | sd/- |

Place: Delhi

Date: April 20, 2022