



(Please scan this QR Code to view the Prospectus)

PROSPECTUS
Dated: December 28, 2022
Please read Section 26 and 32 of the
Companies Act, 2013
Fixed Price Issue



CHAMAN METALLICS LIMITED
CIN: U27100MH2003PLC143049

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL AND TELEPHONE | WEBSITE |
|--|--|---|--|--|
| A-26, M.I.D.C., Tadali Growth Centre, Chandrapur, Maharashtra-442406 | 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492001 | Mr. Rahul Relwani, Company Secretary & Compliance Officer | E-mail: cs@cmlgrgroup.com Tel No: +91-771-4259100 | www.cmlgrgroup.com |

| | |
|---------------------------------|---|
| PROMOTERS OF THE COMPANY | Chetan Kumar Agrawal, Keshav Kumar Agrawal, G.R. Sponge and Power Limited and N.R. Sponge Private Limited |
|---------------------------------|---|

| DETAILS OF THE ISSUE | | | | |
|----------------------|-------------------------------|---|-------------------------------|---|
| TYPE | FRESH ISSUE SIZE (IN ₹ LAKHS) | OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹) | TOTAL ISSUE SIZE (IN ₹ LAKHS) | ELIGIBILITY |
| Fresh Issue | ₹ 2421.36 | Nil | ₹ 2421.36 | THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 AND 253(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED. |

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10/- each. The Issue Price of ₹ 38/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 83 of this prospectus) should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 24 of this Prospectus.


ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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 Issued through this Prospectus is proposed to be listed on the SME Platform of NSE (NSE Emerge) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

LEAD MANAGER TO THE ISSUE

| NAME AND LOGO | CONTACT PERSON | EMAIL & TELEPHONE NO. |
|--|----------------|--|
|  HEM SECURITIES LIMITED | Mr. Akun Goyal | Email: ib@hemsecurities.com Tel. No.: +91- 22- 49060000 |

REGISTRAR TO THE ISSUE

| NAME | CONTACT PERSON | EMAIL & TELEPHONE |
|--|--------------------------|---|
| LINK INTIME INDIA PRIVATE LIMITED | Ms. Shanti Gopalkrishnan | Email: chaman.ipo@linkintime.co.in Tel No.: +91-22-49186200 |

ISSUE PROGRAMME

| | |
|---|--|
| ISSUE OPENS ON: JANUARY 04, 2023 | ISSUE CLOSES ON: JANUARY 06, 2023 |
|---|--|

**CHAMAN METALLICS LIMITED**

CIN: U27100MH2003PLC143049

Our Company was originally incorporated as “Chaman Metallics Private Limited” on November 10, 2003 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai. Further with effect from March 12, 2007 the Registered office of our Company has been changed from R-3, Yugdharam Complex, 27, Central Bazar, Nagpur, Maharashtra- 440 010 to A-26, M.I.D.C, Tadali Growth Centre, Tadali, Chandpur, Maharashtra-442 406. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 22, 2008, our Company was converted into a Public Limited Company and the name of our Company was changed from “Chaman Metallics Private Limited” to “Chaman Metallics Limited” vide a fresh certificate of incorporation dated April 22, 2008, issued by the Registrar of Companies, Maharashtra, Mumbai. For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 116 of this Prospectus.

Registered Office:A-26, M.I.D.C, Tadali Growth Centre, Chandrapur, Maharashtra-442406

Corporate Office:16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492001

Contact Person: Mr. Rahul Relwani, Company Secretary & Compliance Officer

Tel No: +91-771-4259100; **E-mail:** cs@cmlgrgroup.com; **Website:** www.cmlgrgroup.com

Promoters of our Company: Chetan Kumar Agrawal, Keshav Kumar Agrawal, G.R. Sponge and Power Limited and N.R. Sponge Private Limited

THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 63,72,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH (THE "EQUITY SHARES") OF CHAMAN METALLICS LIMITED ("OUR COMPANY" OR "ISSUER") AT AN ISSUE PRICE OF Rs.38/- PER EQUITY SHARE FOR CASH, AGGREGATING UP TO RS. 2421.36 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 3,24,000 EQUITY SHARES OF FACE VALUE OF Rs.10 EACH, AT AN ISSUE PRICE OF Rs.38/- PER EQUITY SHARE FOR CASH, AGGREGATING RS. 123.12 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 60,48,000 EQUITY SHARES OF FACE VALUE OF Rs.10 EACH, AT AN ISSUE PRICE OF Rs.38/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO Rs. 2298.24 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.40% AND 25.06% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25.00% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER "ISSUE PROCEDURE" ON PAGE 216 OF THIS PROSPECTUS.

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 216 of this Prospectus. A copy of Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "*Issue Procedure*" beginning on page 216 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each and the Issue Price is 38/- times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "*Basis for Issue Price*" on page 83 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 Prospectus. Specific attention of the investors is invited of the section "*Risk Factors*" beginning on page 24 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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 Issued through this Prospectus is proposed to be listed on the SME Platform of NSE (NSE Emerge) 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 November 29, 2022 from National Stock Exchange of India Limited ("NSE") for using its name in the Offer document for listing of our shares on the SME Platform of NSE (NSE Emerge). For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

LEAD MANAGERTO THE ISSUE

 **Hem Securities Ltd.**

HEM SECURITIES LIMITED

904,A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, Maharashtra, India

Tel. No.: +91- 022- 49060000

Email: ib@hemsecurities.com

Website: www.hemsecurities.com

Contact Person :Akun Goyal

SEBI Regn. No. INM000010981

REGISTRAR TO THE ISSUE

 **LINK Intime**

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1stFloor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, India-400083

Tel No.:+91-022-49186200; **Fax No.:** +91-022-49186060

Email:chaman.ipo@linkintime.co.in

Investor Grievance Email:chaman.ipo@linkintime.co.in

Website:www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Regn. No.:INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON: JANUARY 04, 2023

ISSUE CLOSES ON: JANUARY 06, 2023

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992(“SCRA”), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 86, 142 and 237 respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

| Term | Description |
|---|---|
| “Chaman Metallics Limited”, “CML”, “the Company”, “Our Company”, “The Issuer” | Chaman Metallics Limited, a Company incorporated in India under the Companies Act, 1956 having its registered office at A-26, MIDC, Tadali Growth Centre, Tadali, Chandrapur, Maharashtra – 442 406 |
| “we”, “us” and “our” | Unless the context otherwise indicates or implies refers to our Company |
| “you”, “your” or “yours” | Prospective investors in this Issue. |

Company Related Terms

| Term | Description |
|---|---|
| Articles of Association / AoA / Articles | Articles of Association of our Company, as amended, from time to time. |
| Audit Committee | The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled “Our Management” beginning on page 120 of this Prospectus. |
| Auditors / Statutory Auditors | The Statutory Auditors of our Company being M/s. OP Singhania & Co., Chartered Accountants, (Firm Registration No.as 002172C). |
| Bankers to our Company | HDFC Bank Ltd. |
| Board/Board of Directors/ Our Board | Board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 120 of this Prospectus. |
| Chairperson | Chairperson of our Board, being Chetan Kumar Agrawal. |
| Chief Financial Officer/CFO | Chief Financial Officer of our Company, being Keshav Kumar Agrawal. |
| CIN | Corporate Identification Number |
| Companies Act / Act | The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as Applicable. |
| Company Secretary and Compliance Officer | Company Secretary and Compliance Officer of our Company, being Rahul Relwani (M. No.: 65101) |
| Corporate Office | Unless stated otherwise, refers to, Corporate office of our Company located at 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001. |
| Corporate Social Responsibility Committee / CSR Committee | The corporate social responsibility committee of our Company as described in “Our Management” on page 120 |
| Depositories | National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| Director(s)/Our Directors | The Director(s) of our Company, unless otherwise specified |
| DIN | Director Identification Number |
| DP/ Depository Participant | A depository participant as defined under the Depositories Act |

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| DP ID | Depository's Participant's Identity Number |
| Equity Shareholders/Shareholders | Persons/ Entities holding Equity Shares of our Company |
| Equity Shares | Equity Shares of the Company of Face Value of Rs. 10/- each unless otherwise specified in the context thereof |
| Executive Directors | Executive Directors are the Managing Director & Whole-time Directors of our Company |
| Fugitive economic offender | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018) |
| GIR Number | General Index Registry Number |
| Group Companies | Our group companies as disclosed in section "Our Group Companies" on page 195 |
| HNI | High Net Worth Individual |
| IBC | The Insolvency and Bankruptcy Code, 2016 |
| Independent Director | An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see " <i>Our Management</i> " on page 120 of this Prospectus. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| IT Act | The Income Tax Act, 1961 as amended till date. |
| ISIN | International Securities Identification Number. In this case being INE06PV01010. |
| JV/ Joint Venture | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities. |
| Key Management Personnel/ KMP | Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled " <i>Our Management</i> " on page 120 of this Prospectus. |
| LLP | Limited Liability Partnership. |
| Materiality Policy | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on August 17, 2022 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time. |
| MD or Managing Director | The Managing Director of our Company Chetan Kumar Agrawal. |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of Chaman Metallics Limited as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled " <i>Our Management</i> " beginning on page 120 of this Prospectus. |
| Non-Executive Director | A Director not being an Executive Director. |
| NRI's / Non-Resident Indians | A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoter Group | Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section " <i>Our Promoters and Promoter Group</i> " beginning on page 133 of this Prospectus. |
| Promoter(s) | Shall mean promoters of our Company i.e. Chetan Kumar Agrawal, Keshav Kumar Agrawal, Individual Promoters and G.R. Sponge and Power Limited and N.R. Sponge Private Limited, Corporate Promoters of the Company. For further details, please refer to section titled " <i>Our Promoters & Promoter Group</i> " beginning on page 133 of this Prospectus. |
| Reserve Bank of India / RBI | Reserve Bank of India constituted under the RBI Act. |
| RBI Act | The Reserve Bank of India Act, 1934 as amended from time to time. |
| Registered Office | Unless stated otherwise, refers to Registered office of our Company located at A-26, MIDC Tadali Growth Centre, Tadali, Chandrapur, Maharashtra, 442406, India |
| Registrar of Companies/RoC | Registrar of Companies, Mumbai. |
| Restated Financial Statements | The restated financial information of the Company comprising of the restated statement of assets and liabilities as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, the restated statement of profit and loss and the restated statement of cash flows for the half year ended September 30, 2022 and year ended March 31, 2022, March 31, 2021 and |

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| | March 31, 2020 and the significant accounting policies and explanatory notes and notes to restated financial information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended. |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act, 1992. |
| SEBI (ICDR) Regulations /ICDR Regulation/ Regulation | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (Venture Capital) Regulations | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time. |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended from time to time. |
| SEBI Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions, notifications and clarifications issued by SEBI from time to time. |
| SEBI Listing Regulations, 2015 / SEBI Listing Regulations / Listing Regulations/SEBI (LODR) | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI Takeover Regulations or SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time |
| Stakeholders' Relationship Committee | Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled "Our Management" beginning on page 120 of this Prospectus |
| SME Exchange | SME Platform of the National Stock Exchange Limited i.e. "NSE EMERGE" |
| Shareholders | Shareholders of our Company from time to time. |
| Sub- Account | Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| Subscriber to MOA | Initial Subscribers to MOA & AOA being Avinash Chandra Kapoor, Ajay Kapoor and Rajat Kapoor. |
| Shareholders/ Equity Shareholders | Equity shareholders of our Company from time to time. |

Issue Related Terms

| Terms | Description |
|--|---|
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application. |
| Allocation/ Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants. |
| Allotment/Allot/Allotted | Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges |
| Allottee (s) | A successful applicant to whom the Equity Shares are allotted pursuant to the Issue. |
| Applicant/ Investor | Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application form. |
| Application Amount | The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Prospectus. |
| Application Form | The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus. |
| Application Supported by Block Amount (ASBA) | An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only. |
| ASBA Account | Account maintained by the ASBA Investor with an SCSB which will be blocked by such |

| | |
|---|---|
| | SCSB to the extent of the Application Amount of the ASBA Investor. |
| Bankers to the Issue/ Public Issue Bank/ Sponsor Bank | Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited. |
| Banker to the Issue Agreement | Agreement dated October 19, 2022 entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue. |
| Basis of Allotment | The basis on which the Equity Shares will be Allotted to successful applicants under the issue and which is described in the chapter titled “Issue Procedure” beginning on page 216 of this Prospectus |
| Broker Centers | Broker Centers notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange. |
| Business Day | Monday to Friday (except public holidays). |
| CAN or Confirmation of Allocation Note | The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange. |
| Client Id | Client Identification Number maintained with one of the Depositories in relation to Demat account |
| Collecting Depository Participants or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Controlling Branches of the SCSBs | Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange. |
| Demographic Details | The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details. |
| Depository / Depositories | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996. |
| Designated Date | The date on which the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account in terms of the Prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange. |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| Designated CDP Locations | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com |
| Designated RTA Locations | Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com |
| Designated Intermediaries/Collecting Agent | An SCSB’s with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity) |
| Designated Market Maker | Hem Finlease Private Limited |
| Designated Stock Exchange | National Stock Exchange of India Limited (NSE EMERGE) |
| DP ID | Depository Participant’s Identity Number |
| Draft Prospectus | Draft Prospectus dated September 30, 2022 issued in accordance with Section 26 of the Companies Act, 2013 |
| Eligible NRI | A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus will constitute an invitation to subscribe for the Equity Shares. |

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| Equity Shares | Equity Shares of our Company of face value Rs.10.00 each |
| Electronic Transfer of Funds | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable. |
| Eligible QFIs | QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants. |
| FII/ Foreign Institutional Investors | Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India. |
| First/ Sole Applicant | The Applicant whose name appears first in the Application Form or Revision Form. |
| Foreign Venture Capital Investors | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000. |
| FPI / Foreign Portfolio Investor | A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended |
| General Corporate Purposes | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document. |
| General Information Document (GID) | The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by the SEBI. |
| Issue Agreement | The Issue Agreement dated September 29, 2022 between our Company and Lead Manager. |
| Issue/Public Issue/Initial Public Offering/ IPO | The Initial Public Issue of upto 63,72,000 Equity shares of Rs.10/- each at issue price of Rs. 38/- per Equity share, including a premium of Rs. 28/- per equity share aggregating to Rs. 2421.36lakhs |
| Issue Closing Date | The date on which Issue closes for subscription. In this case being January 06, 2023 |
| Issue Opening Date | The date on which Issue opens for subscription. In this case being January 04, 2023 |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications. |
| Issue Price | The Price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 38/- per Equity share. |
| Issue Proceeds | Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” beginning on page 77 of this Prospectus. |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the Stock Exchange. |
| LM/Lead Manager | Lead Manager to the Issue, in this case being Hem Securities Limited (HSL). |
| Lot Size | 3,000 shares |
| Mandate Request | Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment. |
| Market Maker | Member Brokers of NSE who are specifically registered as Market Makers with the NSE (SME platform.). In our case, Hem Finlease Private Limited is the sole Market Maker |
| Market Making Agreement | The Market Making Agreement dated December 22, 2022 between our Company, Lead Manager and Market Maker. |
| Market Maker Reservation Portion | The reserved portion of 3,24,000 Equity Shares of Rs.10 each at an Issue price of Rs. 38.00 each is aggregating to Rs. 123.12 Lakhs to be subscribed by Market Maker in this issue. |
| Mutual Funds | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of 60,48,000 Equity Shares of Rs.10/- each at a price of Rs. 38/- per Equity Share (the “Issue Price”), including a share premium of Rs. 28 per equity share aggregating to Rs. 2298.24 Lacs. |
| Net Proceeds | The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “Objects of the Issue” beginning on page 77 of this Prospectus. |

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| Non-Institutional Investors | Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs. 2,00,000/- |
| Other Investor | Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| Overseas Corporate Body/ OCB | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue. |
| Prospectus | This Prospectus dated December 28, 2022, filed with the Registrar of Companies in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, <i>inter alia</i> , the Issue Price. |
| Public Issue Account | Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date. |
| Qualified Institutional Buyers/ QIBs | A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies. |
| Registrar/ Registrar to the Issue/ RTA/ RTI | Registrar to the Issue, in this case being Link Intime Private Limited. |
| Registrar Agreement | The agreement dated September 28, 2022 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue. |
| Registered Broker | Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership either NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange. |
| Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time. |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion. |
| Regulation S | Regulation S under the Securities Act |
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018. |
| 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. |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Applications or any previous Revision Form(s). |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI. |
| SEBI SAST / SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended |
| SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations/ | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time. |
| Self-Certified Syndicate Bank(s) / SCSB(s) | Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the |

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| | service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time. |
| SEBI (Foreign Portfolio Investor) Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| SME Exchange | SME Platform of the National Stock Exchange of India Limited i.e. “NSE Emerge” |
| SEBI(PFUTP)Regulations/PFUTP Regulations | SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 |
| Specified Securities | Equity shares offered through the Prospectus. |
| 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 (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI. |
| Securities laws | Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board. |
| Transaction Registration Slip/ TRS | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application. |
| Underwriter | The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. |
| Underwriting Agreement | The Agreement dated December 22, 2022 entered between the Underwriter, LM and our Company. |
| UPI | UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person’s bank account |
| UPI Circulars | The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and 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, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022 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 payment system developed by the National Payment Corporation of India (NPCI) |
| UPI Mandate Request/ Mandate Request | A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment. |
| UPI PIN | Password to authenticate UPI transaction |
| UPI Mechanism | The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended |
| 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. |
| Working Day | In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and |

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| | <p>(b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;</p> <p>(c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.</p> |
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Technical and Industry Related Terms

| Term | Description |
|-------------|--|
| BF-BOF | Blast Furnace-Blast Oxygen Furnace |
| CPLY | Corresponding Period Last Year |
| DFC | Dedicated Freight Corridor |
| DRFC | Dedicated Rail Freight Corridor |
| DRI | Direct Reduced Iron |
| EAF | Electric Arc Furnace |
| EGEAF | Engineering Goods Exports Assistance Fund |
| EOL | End of Life |
| EPCG | Export Promotion Capital Goods Scheme |
| EVs | Electronic Vehicles |
| GW | Gigawatt |
| ID Fan | Induced Draught Fan |
| IF | Induction Furnace |
| IT | Information Technology |
| ISO | International Organization for Standardization |
| MCC | Motor Control Centre |
| MN | Million |
| MT | Metric Tonnes |
| MTPA | Metric Ton per annum |
| MW | Mega Watt |
| NIP | National Infrastructure Pipeline |
| PLI | Production-Linked Incentive |
| PCC | Power Control Centre |
| P & M | Plant and Machinery |
| R&D | Research and development |
| SDF | Steel Development Fund |
| SAIL | Steel Authority of India Limited |
| SRTMI | Steel Research & Technology Mission of India |
| TPA | Tonnes per annum |
| U.K. | United Kingdom |
| U.S./U.S.A. | Unites States of America |
| WSA | World Steel Association |
| WHO | World Health Organization |
| YoY | Year-Over-Year |

Conventional terms and Abbreviations

| Abbreviation | Full Form |
|--------------------------|---|
| Rs. / Rupees/ INR | Indian Rupees |
| AS / Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| ASBA | Applications Supported by Blocked Amount |
| AMT | Amount |

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| AIF | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| AY | Assessment Year |
| AOA | Articles of Association |
| Approx | Approximately |
| B. A | Bachelor of Arts |
| B. Com | Bachelor of Commerce |
| B. E | Bachelor of Engineering |
| B. Sc | Bachelor of Science |
| B. Tech | Bachelor of Technology |
| Bn | Billion |
| BG/LC | Bank Guarantee / Letter of Credit |
| BIFR | Board for Industrial and Financial Reconstruction |
| CDSL | Central Depository Services (India) Limited |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation of Allocation Note |
| Companies Act, 2013 | Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended. |
| Companies Act, 1956 | Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder |
| CA | Chartered Accountant |
| CAIIB | Certified Associate of Indian Institute of Bankers |
| CB | Controlling Branch |
| CC | Cash Credit |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| CS | Company Secretary |
| CS & CO | Company Secretary & Compliance Officer |
| CFO | Chief Financial Officer |
| CSR | Corporate Social Responsibility |
| C.P.C. | Code of Civil Procedure, 1908 |
| CrPC | Code of Criminal Procedure, 1973 |
| CENVAT | Central Value Added Tax |
| CST | Central Sales Tax |
| CWA/ICWA | Cost and Works Accountant |
| CMD | Chairman and Managing Director |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| EBITDA | Earnings Before Interest, Taxes, Depreciation & Amortization |
| ECS | Electronic Clearing System |
| ESIC | Employee's State Insurance Corporation |
| EPFA | Employee's Provident Funds and Miscellaneous Provisions Act, 1952 |
| EMI | Equated Monthly Installment |
| EPS | Earnings Per Share |
| EGM /EOGM | Extraordinary General Meeting |
| ESOP | Employee Stock Option Plan |
| EXIM/ EXIM Policy | Export – Import Policy |
| FCNR Account | Foreign Currency Non Resident Account |
| FIPB | Foreign Investment Promotion Board |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| FEMA | Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under. |
| FCNR Account | Foreign Currency Non Resident Account |

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|----------------------------|---|
| FBT | Fringe Benefit Tax |
| FDI | Foreign Direct Investment |
| FIs | Financial Institutions |
| FIIs | 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 |
| FPIs | “Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992 |
| FTA | Foreign Trade Agreement |
| FVCI | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. |
| FEMA | Foreign Exchange Management Act, 1999, including the rules and regulations thereunder |
| FEMA Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| Finance Act | Finance Act, 1994 |
| Fraudulent Borrower | A fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations. |
| FV | Face Value |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 |
| Gol/Government | Government of India |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| GST | Goods and Services Tax |
| GVA | Gross Value Added |
| HUF | Hindu Undivided Family |
| HNI | High Net Worth Individual |
| HSL | Hem Securities Limited |
| IBC | The Insolvency and Bankruptcy Code, 2016 |
| ICAI | The Institute of Chartered Accountants of India |
| ISIN | International Securities Identification Number |
| IST | Indian Standard Time |
| ICWAI | The Institute of Cost Accountants of India |
| IMF | International Monetary Fund |
| IIP | Index of Industrial Production |
| IPO | Initial Public Offer |
| ICSI | The Institute of Company Secretaries of India |
| IT | Information Technology |
| IFRS | International Financial Reporting Standards |
| INR / ₹/ Rupees | Indian Rupees, the legal currency of the Republic of India |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| IT Authorities | Income Tax Authorities |
| IT Rules | Income Tax Rules, 1962, as amended, except as stated otherwise |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Ind AS | Indian Accounting Standards as referred to in and notified by the Ind AS Rules |
| Ind AS Rules | The Companies (Indian Accounting Standard) Rules, 2015 |
| IRDA | Insurance Regulatory and Development Authority |
| JV/ Joint Venture | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities. |
| KMP | Key Managerial Personnel |
| LM | Lead Manager |
| LLB | Bachelor of Law |
| Ltd. | Limited |
| LLP | Limited Liability Partnership |
| MAT | Minimum Alternate Tax |
| MoF | Ministry of Finance, Government of India |

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|--------------------------------|---|
| MoU | Memorandum of Understanding |
| M. A | Master of Arts |
| MCA | Ministry of Corporate Affairs, Government of India |
| M. B. A | Master of Business Administration |
| MAT | Minimum Alternate Tax |
| M. Com | Master of Commerce |
| Mn | Million |
| M. E | Master of Engineering |
| M. Tech | Masters of Technology |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MSME | Micro, Small and Medium Enterprises |
| MAPIN | Market Participants and Investors Database |
| NA | Not Applicable |
| NCLT | National Company Law Tribunal |
| NSE | National Stock Exchange of India Limited |
| Networth | The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account |
| NACH | National Automated Clearing House |
| NEFT | National Electronic Funds Transfer |
| NECS | National Electronic Clearing System |
| NAV | Net Asset Value |
| NCT | National Capital Territory |
| NPV | Net Present Value |
| NRIs | Non-Resident Indians |
| NRE Account | Non Resident External Account |
| NRO Account | Non Resident Ordinary Account |
| NOC | No Objection Certificate |
| NSDL | National Securities Depository Limited |
| OCB or 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 trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue. |
| P.A. | Per Annum |
| PF | Provident Fund |
| PG | Post Graduate |
| PGDBA | Post Graduate Diploma in Business Administration |
| PLR | Prime Lending Rate |
| PAC | Persons Acting in Concert |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| P.O. | Purchase Order |
| PBT | Profit Before Tax |
| PLI | Postal Life Insurance |
| POA | Power of Attorney |
| PSU | Public Sector Undertaking(s) |
| Pvt. | Private |
| Q.C. | Quality Control |
| RoC | Registrar of Companies |
| RBI | The Reserve Bank of India |
| Registration Act | Registration Act, 1908 |

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| ROE | Return on Equity |
| R&D | Research & Development |
| Rs. or Rs. | Rupees, the official currency of the Republic of India |
| RONW | Return on Net Worth |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time |
| SME | Small and Medium Enterprises |
| SCSB | Self-Certified syndicate Banks |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended. |
| SEBI FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time. |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time. |
| SEBI Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended |
| SEBI (PFUTP) Regulations / PFUTP Regulations | Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 |
| SEBI Regulations/ SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| SEBI SBEB Regulations | Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. |
| SEBI Takeover Regulations / Takeover Regulations / Takeover Code | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time. |
| SEBI | Securities and Exchange Board of India |
| STT | Securities Transaction Tax |
| Sub-Account | Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| Sec. | Section |
| SPV | Special Purpose Vehicle |
| TAN | Tax Deduction Account Number |
| TRS | Transaction Registration Slip |
| Trade Marks Act | Trade Marks Act, 1999 |
| TIN | Taxpayers Identification Number |
| UIN | Unique identification number |
| U.N. | United Nations |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the United States of America |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America |
| VAT | Value Added Tax |
| VCF / Venture Capital Fund | 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. |
| Wilful Defaulter(s) | Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018. |
| WDV | Written Down Value |
| WTD | Whole Time Director |
| w.e.f. | With effect from |
| -, (₹) | Represent Outflow |

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in ***“Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Regulations and Policies in India”, “Financial Information of the Company”, “Outstanding Litigations and Material Developments”*** and ***“Issue Procedure”***, will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

Certain Conventions

All references in the Prospectus to “India” are to the Republic of India. All references in the Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Prospectus is derived from our restated financial information prepared for the half year ended September 30, 2022 and the financial year ended 31st March 2022, 2021 and 2020 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 142 of this Prospectus.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the 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, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Review Auditor, set out in section titled “Financial Information of the Company” beginning on page 142 of this Prospectus. We do not have any Subsidiary Company as on date of the Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 237 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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 market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “*Basis for Issue Price*” on page 83 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation

All references to “Rupees” or “INR” or “Rs.” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “*Industry Overview*” throughout the Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 24, 101 and 181 respectively of this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Prospectus includes certain “forward-looking statements”. We have included statements in the Prospectus which contain words or phrases such as “will”, “aim”, “is likely to 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, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our failure to keep pace with rapid changes in technology;
8. Our ability to grow our business;
9. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
10. general economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company’s ability to successfully implement its growth strategy and expansion plans ;
13. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. inability to successfully obtain registrations in a timely manner or at all;
15. occurrence of Environmental Problems & Uninsured Losses;
16. conflicts of interest with affiliated companies, the promoter group and other related parties;
17. any adverse outcome in the legal proceedings in which we are involved;
18. Concentration of ownership among our Promoter;
19. The performance of the financial markets in India and globally;
20. Impact of covid-19 on our business and operations; and
21. Global distress due to pandemic, war or by any other reason.

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 24, 101 and 181 respectively of the Prospectus. 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.

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

Neither our Company or our Directors or our Officers or Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the LM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II: SUMMARY OF THE PROSPECTUS

A. OVERVIEW OF BUSINESS

Incorporated in 2003, we are primarily engaged in the business of manufacturing and selling of Direct Reduced Iron (i.e. sponge iron). Sponge iron is mainly used as a raw material for making steel in electric arc furnaces and induction furnaces. Through our sponge iron business, we cater to the metallic requirements of steel producers in selected geographies. Our manufacturing unit is based at Chandrapur, Maharashtra and is spread across an area of around 63 acres of land.

B. OVERVIEW OF THE INDUSTRY

India, world's largest producer of sponge iron, has a host of coal-based units located in the mineral-rich states of the country. Over the years, the coal-based route has emerged as a key contributor and accounted for 77% of total Sponge Iron production in the country during 2021-22 (provisional). Production of Sponge Iron making too has increased over the years and stood at 39.03 mt during 2021-22 (provisional).

C. PROMOTERS

Chetan Kumar Agrawal, Keshav Kumar Agrawal, G.R. Sponge and Power Limited and N.R. Sponge Private Limited are the promoters of the Company.

D. DETAILS OF THE ISSUE

This is an Initial Public Issue of upto 63,72,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. 38 per Equity Share (including a share premium of Rs. 28 per Equity Share) aggregating to Rs. 2421.36 lakhs ("The Issue"), out of which 3,24,000 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. 38 per Equity Share aggregating up to Rs. 123.12 lakhs 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 60,48,000 Equity Shares of face value of Rs. 10 each, at an issue price of Rs. 38 per Equity Share for cash, aggregating to Rs. 2298.24 lakhs is hereinafter referred to as the "Net Issue". The Public Issue and Net Issue will constitute 26.40% and 25.06% respectively of the post- issue paid-up Equity Share capital of our Company.

E. OBJECTS OF THE ISSUE

Our Company intends to utilize the Proceeds of the Issue to meet the following objects:-

| Sr. No. | Particulars | Amt. (₹ in lakhs) |
|---------|---|-------------------|
| 1. | Funding the working capital requirements of our Company | 1650.00 |
| 2. | General Corporate Purpose | 577.36 |
| | Total | 2,227.36 |

F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively holds 1,77,62,764 equity shares of our Company aggregating to 100% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Prospectus:-

| | Names | Pre IPO | | Post IPO | |
|----|---------------------------------|------------------|---------------|------------------|---------------|
| | | Shares Held | % Shares Held | Shares Held | % Shares Held |
| | Promoters | | | | |
| 1. | Chetan Kumar Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 2. | Keshav Kumar Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 3. | G.R. Sponge and Power Limited | 34,45,407 | 19.40 | 34,45,407 | 14.28% |
| 4. | N.R. Sponge Private Limited | 34,51,684 | 19.43 | 34,51,684 | 14.30% |
| | Sub Total (A) | 71,93,029 | 40.49% | 71,93,029 | 29.80% |
| | Promoters Group | | | | |
| 5. | Aryabhatt Sales Private Limited | 34,20,396 | 19.26 | 34,20,396 | 14.17% |
| 6. | Amita Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 7. | Ramesh Kumar Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |

| | | | | | |
|----|--|--------------------|----------------|--------------------|---------------|
| 8. | G.R. Minerals and Industries Private Limited | 34,35,489 | 19.34 | 34,35,489 | 14.23% |
| 9. | G.R. Ecotech Private Limited | 34,17,912 | 19.24 | 34,17,912 | 14.16% |
| | Sub Total (B) | 1,05,69,735 | 59.51% | 1,05,69,735 | 43.79% |
| | Grand Total (A+B) | 1,77,62,764 | 100.00% | 1,77,62,764 | 73.60% |

G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the six months period ended September 30, 2022 and financial years ended on March 31, 2022, 2021 and 2020:

| Particulars | (Amount in ₹ in lakhs) | | | |
|---|------------------------|----------------|----------------|----------------|
| | September 30, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
| Share Capital | 1,776.28 | 789.46 | 789.46 | 789.46 |
| Net Worth | 4,473.17 | 3807.94 | 2,873.29 | 2,350.21 |
| Total Revenue | 11,182.43 | 18546.34 | 14075.89 | 5837.14 |
| Profit after tax | 681.74 | 934.65 | 523.07 | 369.46 |
| Earnings per Share (based on Weighted Average Number of Shares computed post bonus shares issued on August 17, 2022) | 3.84 | 5.26 | 2.94 | 2.08 |
| Net Asset Value per Share (based on Actual Number of Shares) | 25.18 | 48.23 | 36.40 | 29.77 |
| Net Asset Value per Share (based on Weighted Average Number of Shares computed post bonus shares issued on August 17, 2022) | 25.18 | 21.44 | 16.18 | 13.23 |
| Total Borrowings (including current maturities of long term borrowings) | 1,608.17 | 2,515.81 | 1,392.81 | 1,976.17 |

H. AUDITOR QUALIFICATIONS

There are no audit qualifications requiring adjustments which have not been given effect in the restated financial statements.

I. SUMMARY OF OUTSTANDING LITIGATIONS

Our Company is involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

Company:-

| Nature of Cases | No. of Outstanding Cases | (Rs. in lacs) |
|---|--------------------------|--|
| | | Amount in dispute/demanded to the extent ascertainable |
| Litigation/Matters involving Tax Liabilities | 9 | 204.39* |
| Other pending material litigations filed by the Company | 4 | Not Ascertainable |

*Due to change in Management of the Company in 2019, the existing Management is not in possession of certain litigation documents related to above cases. The above amount has been derived based on the information available on the income tax portal and limited information as available with the Company.

Promoters & Directors:-

| Nature of Cases | No. of Outstanding Cases | (Rs. in lacs) |
|---|--------------------------|--|
| | | Amount in dispute/demanded to the extent ascertainable |
| Litigation/Matters involving tax Liabilities | 12 | 746.65 |
| Other Pending Litigations filed by the Promoters & Directors | 7 | 166.13* |
| Other Pending Litigations filed against the Promoters & Directors | 2 | Not Ascertainable |

*to the extent ascertainable

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Prospectus. For further details, please refer to the chapter titled “**Outstanding Litigations and Material Developments**” on page 188 of this Prospectus.

J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled “**Risk Factors**” beginning on page 24 of this Prospectus.

K. SUMMARY OF CONTINGENT LIABILITIES

| Particulars | As at | | | |
|--|---------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Contingent liabilities in respect of: | | | | |
| Outstanding Demands under Income Tax Act 1961 | 192.66 | 192.66 | 192.66 | 192.66 |
| Counter Guarantees given to bank against the bank guarantee issued by the bank | 52.00 | 52.00 | 52.00 | 52.00 |
| Total | 244.66 | 244.66 | 244.66 | 244.66 |

L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the half year ended September 30, 2022 and the year ended on March 31, 2022, 2021 and 2020:-

(a) List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

| Sr. No. | Name of the Person / Entity | Relationship |
|---------|--|---|
| 1 | MSP Sponge Iron Limited | Directors have a significant influence (upto on 17 June 2019) |
| 2 | MSP Infotech Private Limited | Directors have a significant influence (upto on 17 June 2019) |
| 3 | MSP Steel and Power Limited | Directors have a significant influence (upto on 17 June 2019) |
| 4 | Aryabhatt Sales Pvt. Ltd. | Directors have a significant influence |
| 5 | G.R.Sponge and Power Limited | Directors have a significant influence |
| 6 | G.R. Ores Fuels LLP | Directors have a significant influence |
| 7 | GR Ecotech Private Limited | Directors have a significant influence |
| 8 | N.R.Sponge Private Limited | Directors have a significant influence |
| 9 | G.R. Minerals And Industries Private Limited | Directors have a significant influence |
| 10 | Ramesh Steel Industries | Directors have a significant influence |
| 11 | Keshav Kumar Agrawal | Joint Managing Director & Chief Financial Officer |
| 12 | Ramesh Kumar Agrawal | Director |
| 13 | Chetan Kumar Agrawal | Managing Director |
| 14 | Maa Danteshwari Pellet and Steel Private Limited | Directors have a significant influence |
| 15 | G.R. Krishna Ferro Alloys Private Limited | Directors have a significant influence |
| 16 | G.R.Metaliks And Industries Pvt. Ltd. | Directors have a significant influence |
| 17 | Rahul Relwani | Company Secretary appointed on 07.06.2022 |
| 18 | Sumit Dahiya | Independent Director appointed on 26.07.2022 |
| 19 | Disha Keshariya | Independent Director appointed on 26.07.2022 |
| 20 | Ranjeet Singh Thakur | Independent Director appointed on 26.11.2021 |
| 21 | Jyotish Chandra Das | Independent Director upto 26.07.2022 |

(b) Transaction with related Parties :-**(Rs. in lakhs)**

| Particulars | For half year ended | For the financial year | | |
|--|---------------------|------------------------|----------|---------|
| | September 30, 2022 | 2021-22 | 2020-21 | 2019-20 |
| <u>Sitting Fees</u> | | | | |
| Chetan Kumar Agrawal | - | - | 2.00 | - |
| Keshav Kumar Agrawal | - | - | 2.00 | - |
| Jyotish Chandra Das | - | 0.20 | | |
| Ranjeet Singh Thakur | - | 0.40 | | |
| Sumit Dahiya | 0.30 | | | |
| Disha Keshariya | 0.30 | | | |
| | | | | |
| <u>Sales</u> | | | | |
| MSP Sponge Iron Limited | - | - | - | 0.40 |
| MSP Steel and Power Limited | - | - | - | 19.12 |
| G.R. Sponge and Power Limited | 3.36 | 737.29 | 208.43 | 27.65 |
| G.R. Sponge and Power Limited (Property) | - | - | - | 3.00 |
| G.R. Ecotech Private Limited | - | - | - | 70.21 |
| Ramesh Steel Industries | - | - | 1.25 | - |
| G.R. Krishna Ferro Alloys Private Limited | 383.83 | 239.16 | - | - |
| G.R. Minerals And Industries Private Limited | 0.63 | | | |
| | | | | |
| <u>Purchase</u> | | | | |
| N.R. Sponge Private Limited | 94.19 | 185.78 | 30.21 | 400.19 |
| G.R. Sponge and Power Limited | 11.95 | 4.33 | 3.73 | 509.32 |
| G.R. Metaliks And Industries Pvt. Ltd. | - | - | - | 35.21 |
| G.R. Minerals & Industries Pvt Ltd | - | 21.96 | - | - |
| G.R. Ecotech Private Limited | - | - | - | 574.43 |
| Ramesh Steel Industries | - | 9.57 | 2.61 | 2.88 |
| Ramesh Steel Industries (property) | - | - | - | 1.98 |
| G.R. Krishna Ferro Alloys Private Limited | 0.07 | 4.34 | - | - |
| | | | | |
| <u>Loans Received</u> | | | | |
| G.R. Sponge and Power Limited | - | 120.00 | - | 175.00 |
| N.R. Sponge Private Limited | - | - | - | 901.50 |
| G.R. Ores Fuels LLP | - | - | - | 37.00 |
| Aryabhata Sales Pvt. Ltd. | - | - | 34.00 | - |
| G.R. Minerals Industries Private Limited | - | 808.37 | 100.00 | 136.00 |
| G.R. Ecotech Private Limited | - | 28.00 | 341.52 | 343.00 |
| MSP Sponge Iron Limited | - | - | - | 2.96 |
| | | | | |
| <u>Loans Repaid/ Given</u> | | | | |
| MSP Sponge Iron Limited | - | - | - | 516.59 |
| MSP Sponge Iron Limited (Loan and advance paid back) | - | - | - | 150.93 |
| N.R. Sponge Private Limited | - | - | - | 40.00 |
| G.R. Minerals Industries Private Limited | - | 100.00 | - | 136.00 |
| Aryabhata Sales Pvt. Ltd. | - | 34.00 | - | - |
| G.R. Ecotech Private Limited | - | 27.52 | - | - |
| Maa Danteshwari Pellet and Steel Private Limited | - | 15.00 | - | - |
| G.R. Krishna Ferro Alloys Private Limited | 435.00 | 135.00 | - | - |
| | | | | |
| <u>Balances at the end of year Receivables / (Payables)</u> | | | | |
| G.R. Minerals Industries Private Limited (long-term) | - | (851.46) | (100.00) | - |

| | | | | |
|---|----------|----------|----------|----------|
| borrowings) | | | | |
| G.R. Minerals Industries Private Limited (trade payables) | - | - | - | 10.46 |
| Aryabhata Sales Pvt. Ltd. (long-term borrowings) | - | - | (34.00) | - |
| | (129.42) | | | |
| N.R. Sponge Private Limited (trade payables) | | (18.15) | - | (26.55) |
| N.R. Sponge Private Limited (long-term borrowings) | - | - | - | (909.64) |
| G.R. Sponge and Power Limited (trade payables) | - | - | - | (86.72) |
| G.R. Sponge and Power Limited (long-term borrowings) | 129.65 | (124.57) | - | (185.47) |
| G.R. Ores Fuels LLP (long-term borrowings) | - | - | - | (37.01) |
| G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited) (trade receivable) | 692.88 | 245.31 | - | - |
| G.R. Sponge and Power Limited (trade receivable) | (254.77) | 565.38 | - | - |
| G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited) (Loan & Advance) | 506.69 | 140.26 | - | - |
| Maa Danteshwari Pellet and Steel Private Ltd (Loan & Advance) | 15.99 | 15.54 | - | - |
| G.R. Ecotech Private Limited (long-term borrowings) | (387.45) | (372.26) | (341.52) | (343.52) |
| Keshav Kumar Agrawal (trade payables) | - | - | (16.84) | - |
| Keshav Kumar Agrawal (provision for expenses) | (8.85) | (0.45) | (0.41) | - |
| Chetan Kumar Agrawal (provision for expenses) | (7.65) | (0.45) | (0.41) | - |
| | | | | |
| <u>Interest on Loan</u> | | | | |
| G.R. Sponge and Power Limited | 5.65 | 5.08 | 6.95 | 11.63 |
| N.R. Sponge Private Limited | - | - | 48.22 | 53.49 |
| G.R. Ores Fuels LLP | - | - | - | 0.13 |
| Aryabhata Sales Pvt. Ltd. | | 2.07 | 2.32 | - |
| G.R. Minerals Industries Private Limited | 19.68 | 47.88 | 9.06 | - |
| G.R. Ecotech Private Limited | 16.87 | 33.63 | 30.85 | 5.23 |
| | | | | |
| <u>Sales Commission</u> | | | | |
| Keshav Kumar Agrawal | 1.14 | 15.66 | 18.53 | - |
| | | | | |
| <u>Salary</u> | | | | |
| Keshav Kumar Agrawal | 14.00 | 6.00 | - | - |
| Chetan Kumar Agrawal | 14.00 | 6.00 | - | - |
| Ramesh Kumar Agrawal | 3.00 | 6.00 | - | - |
| Rahul Relwani | 1.17 | | | |
| | | | | |
| <u>Rent Charges Paid</u> | | | | |
| Keshav Kumar Agrawal | 1.44 | 1.62 | - | - |
| <u>Hire Income</u> | | | | |
| G.R. Krishna Ferro Alloys Private Limited | 22.00 | 33.00 | - | - |
| | | | | |
| <u>Interest Received</u> | | | | |
| Maa Danteshwari Pellet and Steel Private Limited | 0.45 | 0.60 | - | - |
| G.R. Krishna Ferro Alloys Private Limited | 6.43 | 5.84 | - | - |

M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Prospectus.

N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

| Sr. No. | Name of the Promoter | No. of Shares acquired in last one year | Weighted Average Price (in ₹)* |
|---------|-------------------------------|---|--------------------------------|
| 1. | Chetan Kumar Agrawal | 82,205 | Nil |
| 2. | Keshav Kumar Agrawal | 82,205 | Nil |
| 3. | G.R. Sponge and Power Limited | 19,14,115 | Nil |
| 4. | N.R. Sponge Private Limited | 19,17,602 | Nil |

*In the last one year, our promoters have been allotted equity shares only through a bonus issue, which has been made on August 17, 2022 in the ratio of 5:4, thus the weighted average price of acquisition is Nil.

O. AVERAGE COST OF ACQUISITION OF SHARES

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

| Sr. No. | Name of the Promoters | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|-------------------------------|--------------------|------------------------------------|
| 1. | Chetan Kumar Agrawal | 1,47,969 | 11.54 |
| 2. | Keshav Kumar Agrawal | 1,47,969 | 11.54 |
| 3. | G.R. Sponge and Power Limited | 34,45,407 | 11.54 |
| 4. | N.R. Sponge Private Limited | 34,51,684 | 11.54 |

P. PRE IPO PLACEMENT

Our Company is not considering any pre-IPO placement of equity shares of the Company.

Q. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below we have not issued Equity Shares for consideration other than cash:

| Date of Allotment | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for Allotment | Benefits Accrued to our Company | Name of Allottees | No. of Shares Allotted |
|-------------------|-------------------------|------------------|-------------------|---------------------------------|--------------------------------------|--|------------------------|
| August 17, 2022 | 98,68,202 | 10/- | 10/- | Bonus Issue in the ratio of 5:4 | Capitalization of Reserves & Surplus | Aryabhata Sales Private Limited | 19,00,220 |
| | | | | | | Ramesh Kumar Agrawal | 82,205 |
| | | | | | | Keshav Kumar Agrawal | 82,205 |
| | | | | | | Chetan Kumar Agrawal | 82,205 |
| | | | | | | Amita Agrawal | 82,205 |
| | | | | | | G.R. Minerals and Industries Private Limited | 19,08,605 |
| | | | | | | G.R. Ecotech Private Limited | 18,98,840 |
| | | | | | | G.R. Sponge and Power Limited | 19,14,115 |
| | | | | | | N.R. Sponge Private Limited | 19,17,602 |
| | | | | | | Total | 98,68,202 |

R. SPLIT/ CONSOLIDATION OF EQUITY SHARES

Our company has not done any split/consolidation/ subdivision of equity shares of the Company since incorporation.

S. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of this Prospectus.

SECTION III: RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Prospectus, particularly the “**Financial Information of the Company**” and the related notes, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 142, 101 and 181 respectively of this Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Materiality

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

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

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “**Risk Factors**” on page 24 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” on page 181 of this Prospectus, unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “**Restated Financial Statements**”.

INTERNAL RISK FACTORS

1. **Substantial portion of our revenues has been dependent upon few customers, with which we do not have any firm commitments. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.**

The substantial portion of our revenues has been dependent upon few customers. For instance, our top five customers for the six months period ended Sept.’22, F.Y. ended March 31, 2022 and March 31, 2021 accounted for 79.94%, 76.58% and 81.38% of our revenue from operations for the respective year/period. Our reliance on a limited number of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, a failure to negotiate favourable terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company.

The contribution of our top five customers in our sales as a percentage of the revenue from operations during Fiscal 2022 are disclosed hereunder:-

| S. No. | Customer | % contribution in the revenue from operations for Fiscal 2022 |
|--------------|------------|---|
| 1 | Customer 1 | 33.91% |
| 2 | Customer 2 | 21.90% |
| 3 | Customer 3 | 9.28% |
| 4 | Customer 4 | 6.84% |
| 5 | Customer 5 | 4.66% |
| Total | | 76.58% |

In addition, we have not entered into long term agreements with our customers and the success of our business is accordingly significantly dependent on maintaining good relationship with them. The loss of one or more of these significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customers' supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers.

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

In addition, we are exposed to payment delays and/or defaults by our major customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfill their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be adversely affected.

2. We significantly depend upon few of the raw material suppliers for manufacturing of sponge iron. Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations.

Sponge iron production requires substantial amounts of raw materials and energy, including iron ore and coal, which are subject to significant price volatility. The amount spent for the procurement of raw materials from our top five suppliers, as a percentage of our total purchases, was 62.26% in Fiscal 2022 and 75.77% in the six months period ended Sept.'22. Our cost of raw materials consumed for Fiscal 2022 was ₹ 15,208.41 lakhs, which represented 82.27% of our revenue from operations and for six months period ended September'22 was ₹ 9,359.55 lakhs, which represented 83.98% of our revenue from operations. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices.

We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers across many countries. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, the outbreak of infectious diseases such as COVID-19, tariffs and currency exchange rates and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our

production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. Any delay in the supply or delivery of raw materials to us by our suppliers in may in turn delay our process of manufacture and delivery of products to our customers and this may have an adverse effect on our business, cash flows and results of operations. Additionally, our inability to predict market conditions may result in us placing supply orders for inadequate quantities of such raw materials. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them and on commercially acceptable terms.

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

We are primarily engaged in the business of manufacturing and selling of Direct Reduced Iron (i.e. sponge iron), based on technical specifications provided by our customers. Given the nature of our products and the sector in which we operate, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers regarding the alloy composition may lead to cancellation of the orders placed by our customers. Further, any failure to make timely deliveries of products in the desired quantity as per our customers' requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. In addition, our customers may demand, among others, price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, cash flows, results of operations and financial condition.

4. *Our inability to accurately forecast demand for our products, and accordingly manage our inventory, may have an adverse effect on our business, cash flows, financial condition and results of operations.*

Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, cash flows, financial condition and results of operations. We do not have firm commitment long term supply agreements with our customers and instead rely on short term purchase orders to govern the volume and other terms of the sales of products. Accordingly, we plan our production volumes based on our forecast of the demand for our products. Any error in forecasting could result in surplus stock which would have an adverse effect on our profitability.

We maintain a high level of inventory of raw materials, work in progress and finished goods. As of September 30, 2022, our inventory of raw materials, stores & spares, finished goods and other items amounted to Rs. 2176.68 lakhs. Our high level of inventory increases the risk of loss and storage costs to us as well as increasing the need for working capital to operate our business. Further, as our customers are not obliged to purchase our products or provide us with a binding long-term commitment, there can be no assurance that customer demand will match our production levels.

On the other hand, in the event that the demand we have forecasted is lower than the actual demand of our products, and we are unable to ramp up production to match such demand, we may be unable to supply the requisite quantity of products to our customers in a timely manner. Any increase in our turn-around time could affect our production schedules and disrupt our supply, which could have an adverse effect on our business, cash flows, financial condition and results of operations.

5. *Expansion of manufacturing facility will require substantial capital outlay before we realize any benefits or returns on investments.*

In order to capitalize on the future demand, we intend to undertake expansion of our existing manufacturing facility by setting up Sponge Iron Plant, Induction Furnace Plant (Steel Melting Unit for Silico Manganese and Ferro Silicon), Arc Furnace Plant (Cast Iron unit for Billets) and Captive Power Plant at our existing unit. The total project cost for such expansion is estimated to be Rs. 296 crores. In order to finance the said project, we have obtained a sanction letter for a term loan of Rs. 180 crores from State Bank of India, which is under our consideration. Further, the remaining cost is expected to be funded from promoter's contribution and/or any other source as may deem fit by the Board of Directors.

We expect our long-term capital requirements to increase significantly to fund our intended growth and we cannot assure that we shall efficiently be able to obtain sufficient capital resources for these expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, in case we decide to raise additional funds through the issuance of equity or equity-linked instruments, the interests of our shareholders may be diluted. Further, if we decide to meet our capital requirements through debt financing, our

interest obligations shall increase and we may be subject to additional restrictive covenants under our respective financing arrangements. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected. Additionally, on account of such expansion, our finance cost, depreciation and other related expenses shall increase in the near future which can adversely impact our results of operations, cash flows and financial condition.

Our expansion plans remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays, labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, environment and ecology costs and other external factors which may not be within the control of our management. There can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

The Proposed Expansion will require us to obtain various statutory approvals or amend existing statutory approvals, including consent to operate, factory licence, Environment Clearance etc. There can be no assurance that we will be able to obtain these registrations and approvals including approvals in relations to power and water procurement in a timely manner or at all, which in turn may materially and adversely affect our growth prospects, financial condition, results of operations and cash flows.

Our expansion plans and business growth could also strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce. We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of these factors may cause us to delay, modify or forego some or all aspects of our expansion plans.

Our return on our investment depends upon, among other things, successful implementation of our strategy, competition, demand of our products, government policies, interest rates and general economic conditions. If our return on investment does not meet our or market expectations, this could materially and adversely affect our business, cash flows, results of operations and financial condition.

6. Our business is significantly dependent upon the steel industry. Any downturn or cyclical fluctuation in steel sector could reduce the demand for our products which can adversely impact our business, results of operations, cash flows and financial condition.

The sponge iron, as produced by us, is mainly used as a raw material for making steel in electric arc furnaces and induction furnaces. Any downturn or cyclical fluctuation in both these sectors could reduce the demand for our products which can adversely impact our business, results of operations, cash flows and financial condition. We believe that in the steel industry, the steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products. Any adverse change in these factors causing downturn in steel sector, may result in decreased demand for our products, which can have a material adverse affect on our business, results of operations, financial condition and prospects.

7. Our operations involve melting of iron ores in the rotary kilns which can be extremely dangerous and any accident, could cause serious injury to people or property which may adversely affect our production schedules, costs, sales and ability to meet customer demand.

Our operations require individuals to work under potentially dangerous circumstances, with flammable materials as a significant portion of our business involves melting of iron ores in the rotary kilns. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including:

- explosions
- fires
- mechanical failures and other operational problems
- inclement weather and natural disasters
- discharges or releases of hazardous substances, chemicals or gases; and

- other environmental risks.

Although we employ safety procedures during the melting of iron ores and maintain what we believe to be adequate insurance, there is a risk that any hazard may result in personal injury to our employees or other persons, destruction of property or equipment, environmental damage, etc. may lead to suspension of our operations and/or imposition of civil or criminal liabilities. The loss or shutting down of our facilities could disrupt our business operations and adversely affect our results of operations, cash flows, financial condition and reputation. We could also face claims and litigation in India, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation could be significant. These claims and lawsuits, individually or in the aggregate, may be resolved against us inflicting negative publicity and consequently, our business, cash flows, results of operations and financial condition could be adversely affected.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, fire, explosion or other connected reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows and prospects.

8. Our Company, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition

Our Company, Promoters and Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and forums. Mentioned below are the details of the proceedings involving our Company, Promoter and Directors as on the date of this Prospectus along with the amount involved, to the extent quantifiable.

Company:-

| (Rs. in lacs) | | |
|---|--------------------------|--|
| Nature of Cases | No. of Outstanding Cases | Amount in dispute/demanded to the extent ascertainable |
| Litigation/Matters involving Tax Liabilities | 9 | 204.39* |
| Other pending material litigations filed by the Company | 4 | Not Ascertainable |

**Due to change in Management of the Company in 2019, the existing Management is not in possession of certain litigation documents related to above cases. The above amount has been derived based on the information available on the income tax portal and limited information as available with the Company.*

Promoters & Directors:-

| (Rs. in lacs) | | |
|---|--------------------------|--|
| Nature of Cases | No. of Outstanding Cases | Amount in dispute/demanded to the extent ascertainable |
| Litigation/Matters involving tax Liabilities | 12 | 746.65 |
| Other Pending Litigations filed by the Promoters & Directors | 7 | 166.13* |
| Other Pending Litigations filed against the Promoters & Directors | 2 | Not Ascertainable |

**to the extent ascertainable*

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Prospectus. For further details, please refer to the chapter titled "Outstanding Litigations and Material Developments" on page 188 of this Prospectus.

There can be no assurance that these litigations will be decided in favour of our Company, Promoters and Directors, respectively, and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases please refer the chapter titled "Outstanding Litigations and Material Developments" on page 188 of this Prospectus.

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

As of September 30, 2022, we own and operate one manufacturing facility at Chandrapur, Maharashtra with an aggregate installed production capacity of 72,000 MT for manufacturing of sponge iron. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

In Fiscals 2020, 2021 and 2022, our overall capacity utilization for manufacturing sponge iron were 46.46%, 84.72% and 78.19% respectively. For further information, see “Our Business - Capacity and Capacity Utilization” on page 104 of this Prospectus. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

10. Our Statutory Auditors have included Emphasis of Matters in our Audited financial statements for F.Y. 2020-21 and F.Y. 2019-20

Our Statutory Auditors have included the below emphasis of matters in our Audited financial statements of the Company for FY 2020-21 and 2019-20:-

| Financial Year | Emphasis of Matter |
|----------------|---|
| 2020-21 | <p>The Statutory Auditors of the Company has included an emphasis of matter in the Audit Report for F.Y. 2020-21 and has drawn reference to note no. 34 and 36 to the financial statements, wherein its mentioned that:-</p> <p>Note 34: The company is having capital work in progress amounting to Rs. 131.25 lacs on account of coal block and fixed deposits amounting to Rs. 31.36 lacs for bank guarantee issued against such coal block. In the opinion of the management, the fixed deposits is recoverable and there is no impairment in the balance of capital work-in-progress.</p> <p>Note 36: The Company was having fuel supply agreement (FSA) with Western Coalfields Limited (WCL) against which an amount of Rs. 31.80 lakhs is shown as recoverable. Apart from this the Company had also given bank guarantee to WCL against FSA for which fixed deposits to Rs. 27.50 lakhs has been pledged with bank. In the opinion of the management, the same is recoverable in nature.</p> <p>The Auditors has further stated that their opinion is not modified in respect of the above matter.</p> |
| 2019-20 | <p>The Statutory Auditors of the Company has included an emphasis of matter in the Audit Report for F.Y. 2019-20 and has drawn reference to note no. 35 and 36 to the financial statements, wherein its mentioned that:-</p> <p>Note 35: The company is having capital work in progress amounting to Rs. 131.25 lacs on account of coal block and fixed deposits amounting to Rs. 31.36 lacs for bank guarantee issued against such coal block. In the opinion of the management, the fixed deposits is recoverable and there is no impairment in the balance of capital work-in-progress.</p> <p>Note 36: The Company was having fuel supply agreement (FSA) with Western Coalfields Limited (WCL) against which an amount of Rs. 31.80 lakhs is shown as recoverable. Apart from this the Company had also given bank guarantee to WCL against FSA for which fixed deposits to Rs. 25.89 lakhs has been pledged with bank. In the opinion of the management, the same is recoverable in nature.</p> <p>The Auditors has further stated that their opinion is not modified in respect of the above matter.</p> |

11. Our EBITDA and profit before tax for F.Y. 2019-20 was negative. Further, Our Company had negative operating cash flow in recent fiscals. Sustained operating losses or negative cash flow could adversely impact our business, financial condition and results of operations.

The detailed break up of EBITDA, profit before tax and operating cash flows is summarized in below mentioned table and our Company has reported negative EBITDA, operating cash flows and PBT in F.Y. 2019-20 and negative operating cash flow in F.Y. 2021-22. Any failure to increase our net revenue sufficiently to keep pace with our expenses could prevent us from achieving profitability or positive cash flow on a consistent basis in future periods.

| Particulars | September 30, 2022 | F.Y. 2021-22 | F.Y. 2020-21 | F.Y. 2019-20 |
|---|--------------------|--------------|--------------|--------------|
| Net Cash flow from Operating Activities | 1,332.27 | (591.90) | 807.76 | (644.85) |
| EBITDA | 1,027.47 | 1,549.83 | 1,071.33 | (1.55) |
| Profit before tax | 893.49 | 1,255.10 | 694.76 | (181.42) |
| Profit after tax | 681.74 | 934.65 | 523.07 | 369.46 |

Thus, sustained losses or negative cash flow in future could adversely impact our business, financial condition and results of operations.

12. Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.

The manufacturing operations of the Company are carried in the state of Maharashtra at Chandrapur. Due to the geographical concentration of our manufacturing operations in Maharashtra, our operations are susceptible to local, regional and environmental factors, such as social and civil unrest, regional conflicts, civil disturbances, economic and weather conditions, natural disasters, demographic and population changes, and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials, loss of key managerial personnel, and/or otherwise adversely affect our business, financial condition and results of operations.

In addition, we generate major domestic sales through our customers situated at Maharashtra, Odisha and Chhattisgarh. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region, which may adversely affect our business prospects, financial conditions and results of operations.

Further, as we enter into new markets and geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence, and are more familiar with local business practices and have stronger relationships with local customers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

13. We are subject to competition from both organized and unorganized players in the market, which may significantly affect the fixation and realisation of the price for our product, which may adversely affect our business operation and financial condition.

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

We operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all of our business areas. Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

14. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. In addition, as we expand our manufacturing operations, we will need to apply for modification of existing approvals or apply for additional approvals, including the renewal of approvals which may expire from time to time, such as consent to operate, factory licence etc. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. For instance, we have made an application seeking Environment Clearance (EC) for the expansion of the manufacturing facility, under the provisions of the EIA Notification, 2006 with the Ministry Of Environment, Forest and Climate Change, which is pending for approval. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our existing operations or delay/failure of expansion, if any and may have a material adverse effect on our business, growth, prospects, financial condition and results of operations.

The approvals required by our Company are subject to numerous conditions and there can be no assurance that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

15. Our Contingent Liability and Commitments could affect our financial position.

As on 30th September, 2022, we had Contingent Liability of Rs. 244.66 lakhs against income tax and counter bank guarantee, which have not been provided in our financial statements and which could affect our financial position. For further details, please refer to Note AG – Contingent Liabilities in the chapter titled “*Financial Information of the Company*” on page 142 of this Prospectus.

16. Our continued operations are critical to our business and are subject to operating risks such as breakdown or failure of machinery, disruption to power sources or any temporary shutdown of our manufacturing facilities, in the event of which, our business, results of operations, financial condition and cash flows can be adversely affected.

Our manufacturing facility is subject to operating risks, such as the breakdown or failure of machinery, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted and timely supply of our products is critical to our business. We also require substantial electricity for our manufacturing facilities which is sourced from state electricity boards. Our customer relationships, business and financial results may be materially adversely affected by any disruption of manufacturing operations, including as a result of any of the factors mentioned above.

17. We are heavily dependent on our Promoter and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Promoter and Key managerial personnel, particularly Chetan Kumar Agrawal and Keshav Kumar Agrawal. We depend significantly on them for executing our day to day activities. The loss of any of our Promoter or Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoter and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “*Our Management*” on page 120 of this Prospectus.

18. Certain of our corporate records related to forms filed with the Registrar of Companies and litigation case documents mainly relating to the period before acquisition are not traceable.

Our Company was under the control of MSP Group from 2006 to 2019. In 2019, the Company was acquired by Raipur-based GR Group which is in steel business since 1996. We are not in possession of certain documents relating to 2019 which includes bank statements, valuation reports for preferential allotments, minutes, register of contracts, ADT-1 etc. Thus, due to the non-availability of the requisite statutory records, we may not be able to present the requisite documentary evidence to validate our point which may lead to any penal actions being taken against the Company and its operations may get adversely affected.

Further, Our Company is not in possession of documents pertaining to certain litigations described in the chapter titled **"Outstanding Litigation and Material Developments"** beginning on page 188. Accordingly, reliance has been placed on the information available on the income tax website, other online portals and limited information available with Company to describe the facts of litigation in the aforesaid chapter. Therefore, we cannot assure you that all information pertaining to the said cases are accurate. In case, any documents pertaining to such litigations are traced by the Company, after the filing of Prospectus the same will be incorporated in the Prospectus to be filed with ROC.

19. Our Corporate Promoters and Group Company is engaged in the similar line of business as of our Company. There are no non - compete agreements between Our Company and such entities. We cannot assure that our Promoters will not favour the interests of such entities over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.

Our Corporate Promoters and Group Company, namely, G.R. Sponge and Power Limited, N.R. Sponge Private Limited and Maa Danteshwari Pellet and Steel Private Limited are engaged in the sponge iron business, which is the same business as of our Company. Further, we have not entered into any non-compete agreement with any of the said entities. We cannot assure that our Promoters who have common interest in said entities will not favour the interest of the said entities. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and aforesaid entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoter has interests. There can be no assurance that our Promoters or our Promoter Group entities will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

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

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members/entities. These transactions, inter-alia includes, sales, purchase, issue of shares, interest payments, remuneration, loans and advances, reimbursements etc. For details, please refer to **Note Z - Related Party Transactions** under Section titled **"Financial Information of the Company"** and Chapter titled **"Capital Structure"** beginning on page 168 and 53 respectively of this Prospectus.

All related party transactions entered into by us for the six months ended Spetember'22 and the last three financial years have been at arms' length and in the interests of our Company. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition and results of operations.

21. We do not own the Corporate Office from which we carry out our business activities. In case of non renewal of rent agreements or dispute in relation to use of the said premise, our business and results of operations can be adversely affected.

Our corporate office situated at Raipur, is being taken by us on rent from our Promoter & Joint Managing Director, Mr. Keshav Kumar Agrawal. The said property has been obtained on rent vide Rent agreement dated June 09, 2022 for a period of 11 months at a rent of Rs. 24,000 p.m. In the event of termination/non renewal of said rent agreement, we may be required to vacate the said premises which may cause disruption in our corporate affairs and business and impede our effective operations and thus can adversely affect our business, financial condition and result of operations.

There can be no assurance that we will, in the future, be able to retain or/and renew the agreements for the existing locations on same or similar terms, or will be able to find alternate locations for the registered office on similar terms favorable to us, or at all. We may also fail to negotiate the renewal of our rent agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, affecting our financial condition and operations. In the event that the rent agreement is terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations which could materially and adversely affect our business, financial condition and results of operations.

22. The trademark used by our Company is registered in the name of our Promoter, G.R. Sponge and Power Limited and we have not entered into any exclusive agreement for usage of the trademarks.



The trademark used by our Company is registered in the name of our Promoter, G.R. Sponge and Power Limited. Although, we have obtained permission from the aforementioned persons to use the said trademarks without payment of any consideration, however we have not entered into exclusive registered agreements for use of the said trademarks. In the event, the event promoters decide to use the trademark for any other product or industry or in case of withdrawal of permission by them to use the said trademark, we may not be able to use the said trademarks for the future period which may cause damages to our business prospects, reputation and goodwill. For details, relating to the trademarks used by us, please refer to Section “Intellectual Properties” in the Chapter titled “Our Business” beginning on page 101 of this Prospectus.

23. Our Company has taken unsecured loans that may be recalled by the lenders at any time and our Company may not have adequate working capital to make timely payments or at all.

Our Company has availed unsecured loans which may be recalled by its lenders at any time. As on September 30, 2022, such loans amounted to Rs. 517.11 lakhs. In the event that any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially affect our business, cash flows, financial condition and results of operations. For further details, please see the section entitled “Statement of Financial Indebtedness” on page 177 of this Prospectus.

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

Modernization and technology up gradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the solvent extraction and refining business, we may be required to implement new technology or upgrade the machineries and other equipment’s employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

25. Our proposed capacity expansion plans relating to our manufacturing facility are subject to the risk of unanticipated delays in implementation and cost overruns.

Our expansion plans remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facility, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed capacity additions and expansions will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements.

If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

26. Adverse publicity regarding our products could negatively impact us.

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

27. The average cost of acquisition of Equity Shares by our Promoters, will be lower than the issue price of Equity Share.

The average cost of acquisition of Equity Shares of our Promoters is Rs. 11.54 per equity share. For further details regarding the average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares of our Promoter in our

Company, please see Chapter titled “Capital Structure” beginning on page 53 of this Prospectus.

28. Our company has not complied with some statutory provisions of the Companies Act. Such non-compliance may attract penalties against our Company which could impact the financial position of us to that extent.

Our Company has not complied with certain statutory provisions under the Companies Act 2013, for instance, we were required to appoint Company Secretary from the F.Y. 2014-15 to F.Y. 2018-19, as the paid-up share capital of the Company exceeded the limits prescribed under the Companies Act, 2013, at that time, but such appointment was not done. Although, no show cause notice in respect of the above has been received by the Company till date, however any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

29. Dependence upon transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation of our finished products to our customers. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with any third party transport service providers and engage them on a needs basis. Additionally, availability of transportation solutions in the markets we operate in is typically fragmented. The cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

30. Delays or defaults in client payments could affect our operations.

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

31. 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.

We have obtained insurance coverage in respect of certain risks related to fire, earthquake, terrorism, machinery breakdown, fire loss of profits, for our factory building, plant & machinery and stock. Also, we have obtained insurance policies in respect of public liability and workmen compensation. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks such as burglary insurance, product defect/liability risk, goods in transit, cash in transit and keyman insurance. Failure to effectively cover ourselves against the associated risks may potentially lead to material losses. There can be no assurance that our insurance policies will be adequate to cover the losses/damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. If we suffer a significant uninsured loss or if insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

32. Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Though we have not faced any labour problem in the past we cannot assure that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse affect on our business, and results of operations.

33. The Promoters (including Promoter Group) and Directors hold almost 100% of the Equity Shares of our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoter and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company or their relatives, dividend entitlement, or loans advanced by them to

the Company, and benefits deriving from the directorship in our Company. There can be no assurance that our Promoter will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. For further information, please refer to the chapters/section titled **“Our Business”**, **“Our Promoters and Promoter Group”** and **“Note Z - Related Party Transactions”**, beginning on pages 101, 133 and 168 respectively of this Prospectus.

34. We have incurred indebtedness which exposes us to various risks which may have an adverse affect on our business and results of operations

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on September 30, 2022, our total outstanding indebtedness was ₹ 1608.17 lakhs.

Our significant indebtedness in future may result in substantial amount of debt service obligations which could lead to:

1. increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. affecting our credit rating;
4. limiting our ability to borrow more money both now and in the future; and
5. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse affect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see **“Statement of Financial Indebtedness”** on page 177 of this Prospectus.

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

Our Promoter & Directors, Mr. Ramesh Kumar Agrawal, Mr. Chetan Kumar Agrawal and Mr. Keshav Kumar Agrawal, along with Promoter Group member, Mrs. Amita Agrawal has provided personal guarantee to secure a significant portion of our existing borrowings taken from the banks and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse affect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer **“Statement of Financial Indebtedness”** on page 177 of this Prospectus.

36. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be covered by the insurance policies availed by our Company and may have an affect our business, cash flows, financial condition and results of operations. For further details of our Plant and Machineries, please refer to chapter titled **“Our Business”** beginning on page 101 of the Prospectus.

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to

prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

38. Certain of our investments may be subject to market risk and we have not made any provisions for a potential decline of the value of such investments.

We have made certain investments in equity shares and mutual funds. The value of these investments depends on several factors beyond our control, including the prevailing Indian and international economic conditions, inflationary expectations etc. Any decline in the value of these investments could adversely affect our financial condition and results of operations. For details, please refer to Note K–Restated Statement of Non-Current Investments and Current Investments on page 161.

39. 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.

The proposed fund requirement for funding of working capital requirements, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "*Objects of the Issue*" beginning on page 77 of this Prospectus.

40. We may not be able to sustain effective implementation of our business and growth strategy.

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse affect on our business, financial condition and results of operations.

41. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see "Statement of Financial Indebtedness" on page 177 of the Prospectus.

42. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.

We specialize in the manufacture and supply of sponge iron which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund. Any demand or penalty raised by the concerned authority in future for any previous years or current year will affect the financial position of the Company.

43. The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency.

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled "Objects of the Issue". The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 77 of this 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.

44. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Prospectus. For further information, see the section titled “*Our Business*” on page 101 of this Prospectus.

45. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 141 of the Prospectus.

46. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

Our promoter along with the promoter group will continue to hold collectively 73.60% of the Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

48. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in

the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

49. 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 the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "***Basis for Issue Price***" beginning on page 83 of the Prospectus. 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.

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

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

EXTERNAL RISK FACTORS

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

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing "stay-at-home" orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Despite the lifting of the lockdown, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future. We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

52. A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation,

and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse affect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse affects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

53. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "***Government and Other Approvals***" on page 192 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse affect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax ("***GST***") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

54. Instability in financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse affects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion affect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse affect on our business, operations, financial condition, profitability and price of our Equity Shares.

55. 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.

56. Government regulation of foreign ownership of Indian securities may have an adverse affect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non residents and residents are freely permitted(subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred,

is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

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

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

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

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse affect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

SECTION IV – INTRODUCTION

THE ISSUE

| PRESENT ISSUE IN TERMS OF THIS PROSPECTUS | |
|---|--|
| Equity Shares Offered through Public Issue⁽¹⁾ | Issue of upto 63,72,000 Equity Shares of face value of Rs.10 each fully paid-up of our Company for cash at a price of Rs. 38 per Equity Share aggregating to Rs. 2421.36 Lakhs. |
| Out of which: | |
| Issue Reserved for the Market Makers | 3,24,000 Equity Shares of face value of Rs.10 each fully paid-up of our Company for cash at a price of Rs. 38 per Equity Share aggregating to Rs. 123.12 Lakhs. |
| Net Issue to the Public | 60,48,000 Equity Shares of face value of Rs.10 each fully paid-up of our Company for cash at a price of Rs. 38 per Equity Share aggregating to Rs. 2298.24 Lakhs. |
| Out of which* | |
| A. Retail Individual Investors | At least 30,24,000 Equity Shares of face value of Rs.10 each fully paid-up of our Company for cash at a price of Rs. 38 per Equity Share aggregating to Rs. 1149.12 Lakhs will be available for allocation to Retail Individual Investors. |
| B. Other than Retail Individual Investors (including Non- Institutional Investors and Qualified Institutional Buyers) | Not more than 30,24,000 Equity Shares of face value of Rs.10 each fully paid-up of our Company for cash at a price of Rs. 38 per Equity Share aggregating to Rs. 1149.12 Lakhs will be available for allocation to investor other than Retail Individual Investors |
| Pre and Post – Issue Equity Shares | |
| Equity Shares outstanding prior to the Issue | 1,77,62,764 Equity Shares of face value of Rs.10 each |
| Equity Shares outstanding after the Issue | 2,41,34,764 Equity Shares of face value Rs.10 each |
| Use of Net Proceeds by our Company | Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 77 of this Prospectus. |

⁽¹⁾ Public issue of upto 63,72,000 Equity Shares face value of Rs.10.00 each for cash at a price of Rs. 38 per Equity Share of our Company aggregating to Rs. 2421.36 Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section “*Issue Structure*” beginning on page 213 of this Prospectus.

The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 12, 2022, and by our Equity Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General meeting held on August 04, 2022.

As per Regulation 253 of the SEBI (ICDR) Regulations 2018, as amended, as present issue is a fixed price issue “the Allocation is the net issue to the public category shall be made as follows:

(a) Minimum fifty percent to retail individual investors; and

(b) Remaining to

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

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

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

SUMMARY OF OUR FINANCIALS

**ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in lakhs)

| PARTICULARS | | Notes | As at the Year/Period ended | | | |
|-------------------------------|---|----------|-----------------------------|-----------------|-----------------|-----------------|
| | | | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| EQUITY AND LIABILITIES | | | | | | |
| 1. | Shareholders' Funds | | | | | |
| | a. Share Capital | A | 1,776.28 | 789.46 | 789.46 | 789.46 |
| | b. Reserves & Surplus | A | 2,696.89 | 3,018.48 | 2,083.83 | 1,560.75 |
| | | | 4,473.17 | 3,807.94 | 2,873.29 | 2,350.21 |
| 2. | Non-Current Liabilities | | | | | |
| | a. Long Term Borrowings | B | 614.46 | 1,475.70 | 561.63 | 1,475.64 |
| | b. Deferred Tax Liabilities (Net) | C | 374.81 | 328.83 | 8.38 | - |
| | c. Long Term Provisions | D | - | 3.96 | 1.86 | 1.13 |
| | | | 989.27 | 1,808.49 | 571.87 | 1,476.77 |
| 3. | Current Liabilities | | | | | |
| | a. Short Term Borrowings | E | 993.72 | 1,040.11 | 831.18 | 500.53 |
| | b. Trade Payables | F | | | | |
| | (A) outstanding dues of micro enterprises and small enterprises; and | | 1.38 | 2.15 | 18.99 | 3.85 |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 1,987.04 | 495.39 | 1,212.12 | 846.89 |
| | c. Other Current Liabilities | G | 519.41 | 224.50 | 364.94 | 221.13 |
| | d. Short Term Provisions | H | 121.53 | 0.01 | 0.01 | 0.00 |
| | | | 3,623.08 | 1,762.16 | 2,427.24 | 1,572.41 |
| | TOTAL | | 9,085.52 | 7,378.59 | 5,872.40 | 5,399.39 |
| ASSETS | | | | | | |
| 1 | Non-Current Assets | | | | | |
| | a. Property, Plant and Equipment and Intangible assets | I | | | | |
| | I) Property, Plant and Equipment | | | | | |
| | (i) Gross Block | | 5,168.09 | 5,040.97 | 4,787.56 | 4,687.16 |
| | (ii) Depreciation | | 2,474.32 | 2,388.45 | 2,217.20 | 2,065.12 |
| | (iii) Net Block | | 2,693.76 | 2,652.52 | 2,570.36 | 2,622.04 |
| | II) Intangible Assets | | 1.19 | 1.38 | 1.77 | 2.16 |
| | III) Capital Work-in-Progress | J | 223.54 | 223.54 | 221.54 | 221.54 |
| | | | 2,918.49 | 2877.44 | 2793.67 | 2,845.73 |
| | b. Non-Current Investment | K | 2.10 | 99.97 | 2.10 | 37.14 |
| | c. Deferred Tax Assets (Net) | C | - | - | - | 163.31 |
| | d. Long Term Loans and Advances | L | 566.62 | 409.09 | 8.79 | 4.90 |
| | e. Other Non-Current Assets | M | 281.33 | 289.16 | 118.96 | 100.38 |
| | | | 850.05 | 798.22 | 129.85 | 305.73 |
| 2. | Current Assets | | | | | |
| | a. Current Investments | K | 285.14 | - | - | - |
| | b. Inventories | N | 2,176.68 | 1,832.61 | 1,634.38 | 1,608.91 |
| | c. Trade Receivables | O | 1,180.51 | 1,194.31 | 458.17 | 265.98 |
| | d. Cash and bank balances | P | 77.60 | 25.36 | 181.34 | 243.77 |
| | e. Short-Term Loans and Advances | Q | 1,584.11 | 619.20 | 657.54 | 126.47 |
| | f. Other Current Assets | M | 12.94 | 31.45 | 17.45 | 2.80 |
| | | | 5,316.98 | 3,702.93 | 2,948.88 | 2,247.93 |
| | TOTAL | | 9,085.52 | 7,378.59 | 5,872.40 | 5,399.39 |

ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in lakhs)

| PARTICULARS | Note | For the Year/ period ended | | | |
|---|----------|----------------------------|------------------|------------------|-----------------|
| | | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| 1 Revenue From Operations | R | 11,145.56 | 18,486.79 | 14,056.08 | 5,801.36 |
| 2 Other Income | S | 36.87 | 59.53 | 19.81 | 35.78 |
| Total Income (1+2) | | 11,182.43 | 18,546.32 | 14,075.89 | 5,837.14 |
| 3 Expenditure | | | | | |
| a. Raw Material Consumption | T | 9,359.55 | 15,208.41 | 11,980.11 | 5,075.50 |
| b. Change in inventories of finished goods, work in progress and stock in trade | U | (319.18) | 169.50 | (105.68) | (161.88) |
| c. Employee Benefit Expenses | V | 109.47 | 135.35 | 92.23 | 97.94 |
| d. Finance Cost | W | 98.91 | 189.46 | 208.44 | 83.41 |
| e. Depreciation and Amortisation Expenses | X | 86.06 | 171.64 | 152.47 | 135.23 |
| f. Other Expenses | Y | 954.13 | 1,416.86 | 1,006.24 | 788.36 |
| 4 Total Expenditure 3(a) to 3(f) | | 10,288.94 | 17,291.22 | 13,333.81 | 6,018.55 |
| 5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4) | | 893.49 | 1,255.10 | 742.08 | (181.42) |
| 6 Exceptional and Extra-ordinary items | | - | - | 47.32 | - |
| 7 Profit/(Loss) Before Tax (5-6) | | 893.49 | 1,255.10 | 694.76 | (181.42) |
| 8 Tax Expense: | | | | | |
| a. Tax Expense for Current Year/ period | | 165.77 | - | - | - |
| b. Deferred Tax | C | 45.98 | 320.45 | 171.69 | (550.88) |
| Net Current Tax Expenses | | 211.75 | 320.45 | 171.69 | (550.88) |
| 9 Profit/(Loss) for the Year (7-8) | | 681.74 | 934.65 | 523.07 | 369.46 |

ANNEXURE III
RESTATED CASH FLOW STATEMENT

(Rs. in lakhs)

| PARTICULARS | For the Year/Period ended | | | |
|--|---------------------------|-----------------|-----------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| A) Cash Flow From Operating Activities : | | | | |
| Net Profit/(loss) before tax | 893.49 | 1,255.10 | 694.76 | (181.42) |
| Adjustment for : | | | | |
| Depreciation and amortization | 86.06 | 171.64 | 152.47 | 135.23 |
| Interest Paid | 90.21 | 189.46 | 208.44 | 83.41 |
| Interest Income | (13.80) | (24.41) | (15.91) | (11.80) |
| Profit on sale of Investments | (0.25) | 0.12 | (3.36) | - |
| Provision for Gratuity | - | 2.11 | 0.73 | 1.14 |
| Profit on sale of property, plant & equipment | - | - | - | (1.83) |
| Operating profit before working capital changes | 1,055.72 | 1,594.02 | 1,037.13 | 24.72 |
| Changes in Working Capital | | | | |
| (Increase)/decrease in inventories | (344.07) | (198.24) | (25.47) | (1,417.24) |
| (Increase)/decrease in trade receivables | 13.81 | (736.14) | (192.20) | (134.16) |
| (Increase)/decrease in short-term loans and advances | (964.92) | 38.35 | (524.85) | (120.40) |
| (Increase)/decrease in long-term loans and advances | (157.54) | (484.20) | (8.42) | (31.98) |
| (Increase)/decrease in short-term other assets | 18.50 | 81.87 | (14.66) | (1.39) |
| (Increase)/decrease in long-term other assets | (26.54) | (0.61) | - | - |
| Increase/(decrease) in current liabilities and provision | 1,781.55 | (874.98) | 538.06 | 1,031.39 |
| Cash generated from operations | 1,376.52 | (579.93) | 809.60 | (649.07) |
| Taxes /(Refund) Paid (NET) | (44.24) | (11.97) | (1.84) | 4.21 |
| Net cash flow from operating activities (A) | 1,332.27 | (591.90) | 807.76 | (644.85) |
| B) Cash Flow From Investing Activities : | | | | |
| Purchase of property, plant and equipment | (127.11) | (255.41) | (100.40) | (480.93) |
| Proceeds from disposal of property, plant & equipment | - | - | - | 3.00 |
| Proceeds from sale of Non-current investments | (187.02) | (97.99) | 38.40 | - |
| Deposit with bank with maturity for more than three months | (15.90) | (16.09) | (52.95) | (122.52) |
| Interest received | 13.80 | 24.41 | 15.91 | 11.81 |
| Net cash flow from investing activities (B) | (316.23) | (345.08) | (99.04) | (588.64) |
| C) Cash Flow From Financing Activities : | | | | |
| Expenses related to bonus issue | (16.51) | - | - | - |
| Proceeds from/(Repayment of) long-term borrowings (net) | (861.23) | 914.05 | (914.01) | 886.33 |
| Proceeds from short-term borrowings (net) | (46.39) | 208.93 | 316.76 | 500.53 |
| Finance Cost | (89.93) | (188.49) | (208.44) | (83.41) |
| Net cash flow from financing activities (C) | (1,014.07) | 934.49 | (805.68) | 1,303.46 |
| Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C) | 1.97 | (2.48) | (96.96) | 69.96 |
| Cash equivalents at the beginning of the year | 25.36 | 27.84 | 124.80 | 54.84 |
| Cash equivalents at the end of the year | 27.33 | 25.36 | 27.84 | 124.80 |

Notes:

1.

| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|------------|------------|------------|------------|
| Component of Cash and Cash equivalents | | | | |
| Cash on hand | 5.98 | 5.61 | 4.23 | 1.95 |
| Balance With banks | | | | |
| in current accounts | 21.35 | 19.75 | 23.61 | 75.12 |
| in deposit accounts (against overdraft) | - | - | - | 52.05 |
| Less: overdraft facility from bank | - | - | - | 4.32 |

| | | | | |
|--------------|--------------|--------------|--------------|---------------|
| Total | 27.33 | 25.36 | 27.84 | 124.80 |
|--------------|--------------|--------------|--------------|---------------|

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.
3. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.

GENERAL INFORMATION

Brief Summary:

Our Company was originally incorporated as “Chaman Metallics Private Limited” under the provisions of Companies Act, 1956 vide certification of Incorporation dated November 10, 2003 bearing CIN: U27100MH2003PLC143049 issued by Registrar of Companies Maharashtra, Mumbai. Subsequently, our Company was converted into Public Limited Company, pursuant to the shareholders resolution passed at Extraordinary General Meeting held on February 22, 2008 and the name of our Company was changed to “Chaman Metallics Limited” and a fresh certificate of Incorporation consequent upon conversion of Private Company to Public Limited Company dated April 22, 2008, was issued by the Registrar of Companies, Maharashtra, Mumbai.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 116 of this Prospectus.

| Address of the Registered Office | Address of the RoC |
|---|---|
| Chaman Metallics Limited A-26, MIDC, Tadali Growth Centre, Tadali, Chandrapur, Maharashtra – 442 406 Tel. No.: +91-771-4259100 Email: cs@cmlgrgroup.com Website: www.cmlgrgroup.com CIN: U27100MH2003PLC143049 | Registrar of Companies, Mumbai 100, Everest, Marine Drive Mumbai- 400002, Maharashtra, India Tel No: 022-22812627/22020295/22846954 Fax No: 022-22811977 Email id: roc.mumbai@mca.gov.in Website: www.mca.gov.in |

Board of Directors:

The Board of Directors of our Company as on the date of filing of this Prospectus consists of:

| Name of Directors | Designation | Address | DIN |
|----------------------|---|--|----------|
| Ramesh Kumar Agrawal | Non-Executive Director | G.R. House, Agrawal Complex, Opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh – 492 001 | 00748853 |
| Chetan Kumar Agrawal | Chairman & Managing Director | G.R. House, Agrawal Complex, Opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001 | 00748916 |
| Keshav Kumar Agrawal | Joint Managing Director and Chief Financial Officer | G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh – 492 001 | 02460958 |
| Sumit Dahiya | Independent Director | D-28, Sector 1, Shailendra Nagar, Raipur, Chhattisgarh – 492 001 | 09685509 |
| Ranjeet Singh Thakur | Independent Director | Pithrachhya, P-304, Shrivastava Associates, Pridarshani Nagar, Raipur, Chhattisgarh – 492 006 | 01634319 |
| Disha Keshariya | Independent Director | Muktagan, Besides Shiv Vidya Mandir, School Gali mai Aakhiri Ghar, Kushalpur, Raipur, Chhattisgarh – 492 001 | 09621345 |

For further details in relation to our Directors, please refer to chapter titled “*Our Management*” on page 120 of this Prospectus.

| Chief Financial Officer & Joint Managing Director | Company Secretary & Compliance Officer |
|--|---|
| Keshav Kumar Agrawal Chaman Metallics Limited Address: 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001 Tel. No.: 0771-4259100 Email: cfo@cmlgrgroup.com Website: www.cmlgrgroup.com | Rahul Relwani Chaman Metallics Limited Address: 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001 Tel. No.: 0771-4259100 Email: cs@cmlgrgroup.com Website: www.cmlgrgroup.com |

Investor Grievances:

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the Lead Manager.

Details of Key Intermediaries pertaining to this Issue and Our Company:

| Lead Manager of the Issue | Legal Advisor to the Issue |
|---|---|
| Hem Securities Limited Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.: +91-22-4906 0000 Fax No.: +91-22-22625991 Email: ib@hemsecurities.com Website: www.hemsecurities.com Contact Person: Akun Goyal SEBI Reg. No.: INM000010981 | Mindspright Legal Address: 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India. Tel No.: +91-22-42197000 Email: richa@mindspright.co.in Contact Person: Ms. Richa Bhansali Website: www.mindspright.co.in |
| Registrar to the Issue | Statutory Auditor |
| Link Intime India Private Limited Address: - C-101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, India 400083 Tel No.: +91-022-49186200 Fax No.: +91-22-49186195 Email: chaman.ipo@linkintime.co.in Investor Grievance Email: chaman.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Regn. No. INR000004058 CIN: U67190MH1999PTC118368 | OP Singhanian & Co. Chartered Accountants, Address: JDS Chambers, 1st floor, 6-Central Avenue, Choubey Colony, Raipur, Chhattisgarh 492001 Phone: +91-771-4061216. Email: opsinghanian.co@gmail.com Firm Registration No.: 002172C Membership No: 076961 Peer Review Certificate Number: 012058 Contact Person: Sanjay Singhanian |
| Banker to the Company | Bankers to the Issue & Sponsor Bank |
| HDFC Bank Ltd Address: Ground. Floor, Orbit Complex, Sunder Nagar, Dist. Raipur, Raipur Chhattisgarh 492013 Tel: +91 99302-65658 Email: amit.nashine@hdfcbank.com Website: www.hdfcbank.com Contact Person: Amit Nashine Designation: Relationship Manager | Axis Bank Limited Address: Opp. New Bus Stand, Jeevan Bima Marg, Pandri, Raipur (C.G.) - 492004 Tel. No.: 091 88788 01391 Email: raipur.branchhead@axisbank.com Website: www.axisbank.com Contact Person: Ravindra Taunk SEBI reg.no.: INB10000017 |

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>; and

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

Syndicate SCSB Branches

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of SEBI i.e. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. 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) and updated from time to time.

Brokers to the Issue

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

Expert Opinion

Except the report of the Auditor on statement of special tax benefits and report on restated financial statements for the half year ended September 30, 2022 and the financial year ended March 31, 2022, 2021 and 2022 as included in this Prospectus our Company has not obtained any expert opinion.

Inter-se Allocation of Responsibilities

Since, Hem Securities Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manageris not required.

Monitoring Agency

Since the proceeds from the Fresh Issue do not exceed Rs. 1000 million, in terms of Regulation 262(1) of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue.

Appraising Entity

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Issue.

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Issue.

Debenture Trustees

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

Filing of Prospectus

The Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Prospectus was not filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. However, pursuant to Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Mumbai 100, Everest, Marine Drive Mumbai - 400002, Maharashtra, India

Withdrawal of the Issue

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

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

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

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

Underwriting

The Company and the Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter Hem Securities Limited.

Pursuant to the terms of the Underwriting Agreement dated December 22, 2022 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriter | No. of shares underwritten | Amount Underwritten (₹ in Lakhs) | % of Total Issue Size Underwritten |
|---|----------------------------|----------------------------------|------------------------------------|
| Hem Securities Limited Address: - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Rohit Sharma SEBI Registration Number.: INM000010981 | 63,72,000 | 2421.36 lakhs | 100% |

**Includes 3,24,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

Change in Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years.

| Details of Auditors | Date of Change | Reason |
|--|--------------------|---|
| OP Singhania & Co. Chartered Accountants, Address: JDS Chambers, 1st floor, 6-Central Avenue, Choubey Colony, Raipur, Chhattisgarh 492001 Phone: +91 0771 4041236; 4061216. Email: opsinghania.co@gmail.com Website: www.opsinghania.com Firm Registration No.: 002172C Membership No: 076961 Contact Person: Sanjay Singhania | September 30, 2019 | Appointment |
| M/s. Agrawal Baid and Co. Chartered Accountants, Address: 26C, P.K. Tagore Street, Krishna Sadan, Ground Floor, Room No.21/30, Kolkata, West Bengal 700006 Phone : 033 253009502/7562 Email: rakesh@shreechi.com Website: www.shreechi.com Firm Registration No.: 328128E Membership No: 058682 Contact Person: Rakesh Baid | August 26, 2019 | Due to pre-occupation in other assignments. |

Details of the Market Making arrangement for this Issue

Our Company and the Lead Manager has entered into Market Making Agreement dated December 22, 2022 with the following Market Maker, to fulfil the obligations of Market Making for this issue:

| | |
|--------------------------------------|--|
| Name | Hem Finlease Private Limited |
| Correspondence Address: | 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India. |
| Tel No.: | 0141-4051000 |
| E-mail: | ib@hemsecurities.com |
| Website: | www.hemsecurities.com |
| Contact Person: | Mr. Ashok Soni |
| SEBI Registration No.: | INZ000167734 |
| Market Maker Registration No. | INB231110033 |

The Market Maker shall fulfil 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:

- The Market Maker(s) (individually or jointly) 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(s).
- 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 the SME Platform of NSE and SEBI from time to time.
- The minimum depth of the quote shall be Rs.1, 00,000/- . However, the investors with holdings of value less than Rs. 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.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of NSE (in this case currently the minimum trading lot size is 3,000 equity shares; however the same may be changed by the SME platform of NSE from time to time).
- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 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.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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 three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

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, as amended. Further our Company and the Lead Manager mutually 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 office from 10.00 a.m. to 5.00 p.m. on working days.

- **Risk containment measures and monitoring for Market Makers:** NSE platform will have all margins, which are applicable on 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.
- **Punitive Action in case of default by Market Makers:** 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 Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- **Price Band and Spreads:** 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.
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market 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% |
| ₹20 to ₹50 Crore | 20% | 19% |
| ₹50 to ₹80 Crore | 15% | 14% |
| Above ₹80 Crore | 12% | 11% |

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

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

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

| S. No. | Market Price Slab (in Rs.) | Proposed Spread (in % to sale price) |
|--------|----------------------------|--------------------------------------|
| 1. | Up to 50 | 9 |
| 2. | 50 to 75 | 8 |
| 3. | 75 to 100 | 6 |
| 4. | Above 100 | 5 |

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

CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Prospectus.

| (Rs. in Lacs, except share data) | | | |
|----------------------------------|---|-------------------------------|--------------------------------|
| Sr. No. | Particulars | Aggregate Value at Face Value | Aggregate Value at Issue Price |
| A | Authorized Share Capital 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each | 2500.00 | - |
| B | Issued, Subscribed & Paid-up Share Capital prior to the Issue 1,77,62,764 Equity Shares having Face Value of ₹10/- each | 1776.28 | - |
| C | Present Issue in terms of this Prospectus* Upto 63,72,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ 38/-per share | 637.20 | 2421.36 |
| | <i>Which comprises of:</i> | | |
| D | Reservation for Market Maker Portion 3,24,000 Equity Shares of ₹10/- each at a price of ₹ 38per Equity Share reserved as Market Maker Portion. | 32.40 | 123.12 |
| E | Net Issue to Public Net Issue to Public of 60,48,000 Equity Shares of ₹10/- each at a price of ₹38per Equity Share to the Public. | 604.80 | 2298.24 |
| | <i>Of which:</i> | | |
| | i. At least 30,24,000 Equity Shares aggregating up to Rs. 1149.12 lakhs will be available for allocation to Retail Individual Investors | 302.40 | 1149.12 |
| | ii. Not more than 30,24,000 Equity Shares aggregating up to Rs. 1149.12 lakhs will be available for allocation to investors other than Retail Individual Investors (including Non- Institutional Investors and Qualified Institutional Buyers). | 302.40 | 1149.12 |
| F | Issued, Subscribed and Paid up Equity Share Capital after the Issue 2,41,34,764 Equity Shares of face value of ₹10/- each | 2413.47 | |
| G | Securities Premium Account | | |
| | Before the Issue (as on date of this Prospectus) | 3,111.41 | |
| | After the Issue | 4895.57 | |

*The Present Issue of up to 63,72,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated July 12, 2022 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Annual General Meeting of the members held on August 4, 2022

Classes of Shares:-

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

NOTES TO THE CAPITAL STRUCTURE:

1. Changes in Authorized Equity Share Capital of our Company:

| Sr. No. | Particulars of increase | Cumulative No. of Equity Shares | Face Value of Equity Share | Cumulative Authorized Share Capital (Rs. in lakhs) | Date of Meeting | Whether AGM/EGM |
|---------|---|---------------------------------|----------------------------|---|--------------------|-----------------|
| 1. | On incorporation | 50,000 | 10/- | 5.00 | Upon Incorporation | N.A. |
| 2. | Increase in Authorized Share Capital from ₹5.00 Lakhs to ₹ 1.20 Crore | 12,00,000 | 10/- | 120.00 | March 18, 2005 | EGM |
| 3. | Increase in Authorized Share Capital from ₹1.20 Crore to ₹ | 20,00,000 | 10/- | 200.00 | March 12, 2007 | EGM |

| | | | | | | |
|----|---|-------------|------|---------|-------------------|-----|
| | 2.00 Crore | | | | | |
| 4. | Increase in Authorized Share Capital from ₹2.00 Crore to ₹3.00 Crore | 30,00,000 | 10/- | 300.00 | August 18, 2008 | EGM |
| 5. | Increase in Authorized Share Capital from ₹3.00 Crore to ₹6.00 Crore | 60,00,000 | 10/- | 600.00 | November 27, 2013 | EGM |
| 6. | Increase in Authorized Share Capital from ₹6.00 Crore to ₹8.00 Crore | 80,00,000 | 10/- | 800.00 | February 24, 2015 | EGM |
| 7 | Increase in Authorized Share Capital from ₹8.00 Crore to ₹25.00 Crore | 2,50,00,000 | 10/- | 2500.00 | June 03, 2022 | EGM |

2. Equity Share Capital History of our Company:

a) The following table sets forth details of the history of the Equity Share capital of our Company:

| Date of Allotment of Equity Shares | No. of Equity Shares allotted | Face Value (₹) | Issue Price (including Premium if applicable(₹)) | Consideration Cash/ Other than Cash | Nature of Allotment | Cumulative No. of Equity Shares | Cumulative Securities Premium (₹) | Cumulative Paid Up Capital (₹) |
|------------------------------------|-------------------------------|----------------|--|-------------------------------------|--------------------------------------|---------------------------------|-----------------------------------|--------------------------------|
| Upon Incorporation | 30,000 | 10/- | 10/- | Cash | Subscription to MOA ⁽ⁱ⁾ | 30,000 | Nil | 3,00,000 |
| March 18, 2005 | 10,18,000 | 10/- | 60/- | Cash | Further Issue ^{(ii)*} | 10,48,000 | 5,09,00,000 | 1,04,80,000 |
| March 31, 2007 | 5,51,000 | 10/- | 100/- | Cash | Further Issue ^{(iii)*} | 15,99,000 | 10,04,90,000 | 1,59,90,000 |
| April 16, 2007 | 90,000 | 10/- | 100/- | Cash | Further Issue ^{(iv)*} | 16,89,000 | 10,85,90,000 | 16,89,000 |
| October 22, 2008 | 1,30,000 | 10/- | 100/- | Cash | Further Issue ^{(v)*} | 18,19,000 | 12,02,90,000 | 18,19,000 |
| February 20, 2009 | 3,75,000 | 10/- | 100/- | Cash | Further Issue ^{(vi)*} | 21,94,000 | 15,40,40,000 | 21,94,000 |
| June 30, 2009 | 2,87,500 | 10/- | 200/- | Cash | Further Issue ^{(vii)*} | 24,81,500 | 20,86,65,000 | 24,81,500 |
| March 31, 2012 | 2,09,500 | 10/- | 100/- | Cash | Further Issue ^{(viii)*} | 26,91,000 | 22,75,20,000 | 26,91,000 |
| September 02, 2013 | 82,000 | 10/- | 50/- | Cash | Preferential Issue ^(ix) | 27,73,000 | 23,08,00,000 | 27,73,000 |
| October 29, 2013 | 1,19,000 | 10/- | 50/- | Cash | Preferential Issue ^(x) | 28,92,000 | 23,55,60,000 | 28,92,000 |
| November 29, 2013 | 1,10,000 | 10/- | 50/- | Cash | Preferential Issue ^(xi) | 30,02,000 | 23,99,60,000 | 30,02,000 |
| December 29, 2013 | 1,20,000 | 10/- | 50/- | Cash | Preferential Issue ^(xii) | 31,22,000 | 24,47,60,000 | 31,22,000 |
| January 29, 2014 | 1,06,000 | 10/- | 50/- | Cash | Preferential Issue ^(xiii) | 32,28,000 | 24,90,00,000 | 32,28,000 |
| March 12, 2014 | 1,22,000 | 10/- | 50/- | Cash | Preferential Issue ^(xiv) | 33,50,000 | 25,38,80,000 | 33,50,000 |
| March 29, 2014 | 20,10,000 | 10/- | 50/- | Cash | Preferential Issue ^(xv) | 53,60,000 | 33,42,80,000 | 53,60,000 |
| May 17, 2014 | 90,000 | 10/- | 50/- | Cash | Private Placement ^(xvi) | 54,50,000 | 33,78,80,000 | 5,45,00,000 |
| July 24, 2014 | 66,000 | 10/- | 50/- | Cash | Private Placement | 55,16,000 | 34,05,20,000 | 5,51,60,000 |

| | | | | | | | | |
|--------------------|-----------|------|------|------|----------------------------|-----------|--------------|-------------|
| | | | | | (xvii) | | | |
| September 06, 2014 | 76,000 | 10/- | 50/- | Cash | Private Placement (xvii) | 55,92,000 | 34,35,60,000 | 5,59,20,000 |
| October 09, 2014 | 16,000 | 10/- | 50/- | Cash | Private Placement (xix) | 56,08,000 | 34,42,00,000 | 5,60,80,000 |
| November 11, 2014 | 14,800 | 10/- | 50/- | Cash | Private Placement (xx) | 56,22,800 | 34,47,92,000 | 5,62,28,000 |
| December 03, 2014 | 16,750 | 10/- | 40/- | Cash | Private Placement (xxi) | 56,39,550 | 34,52,94,500 | 5,63,95,500 |
| February 13, 2015 | 39,375 | 10/- | 40/- | Cash | Private Placement (xxii) | 56,78,925 | 34,64,75,750 | 5,67,89,250 |
| March 10, 2015 | 12,50,000 | 10/- | 40/- | Cash | Private Placement (xxiii) | 69,28,925 | 38,39,75,750 | 6,92,89,250 |
| March 10, 2015 | 30,000 | 10/- | 40/- | Cash | Private Placement (xxiv) | 69,58,925 | 38,48,75,750 | 6,95,89,250 |
| March 23, 2015 | 2,22,500 | 10/- | 40/- | Cash | Private Placement (xxv) | 71,81,425 | 39,15,50,750 | 7,18,14,250 |
| March 30, 2015 | 21,250 | 10/- | 40/- | Cash | Private Placement (xxvi) | 72,02,675 | 39,21,88,250 | 7,20,26,750 |
| May 21, 2015 | 27,500 | 10/- | 40/- | Cash | Private Placement (xxvii) | 72,30,175 | 39,30,13,250 | 7,23,01,750 |
| May 29, 2015* | 2,50,000 | 10/- | 40/- | Cash | Private Placement (xxviii) | 74,80,175 | 40,05,13,250 | 7,48,01,750 |
| June 03, 2015* | 1,25,000 | 10/- | 40/- | Cash | Private Placement (xxix) | 76,05,175 | 40,42,63,250 | 7,60,51,750 |
| June 11, 2015* | 57,500 | 10/- | 40/- | Cash | Private Placement (xxx) | 76,62,675 | 40,59,88,250 | 7,66,26,750 |
| July 08, 2015* | 16,500 | 10/- | 40/- | Cash | Private Placement (xxxi) | 76,79,175 | 40,64,83,250 | 7,67,91,750 |
| August 11, 2015 | 14,250 | 10/- | 40/- | Cash | Private Placement (xxxii) | 76,93,425 | 40,69,10,750 | 7,69,34,250 |
| October 01, 2015 | 20,588 | 10/- | 34/- | Cash | Private Placement (xxxiii) | 77,14,013 | 40,74,04,862 | 7,71,40,130 |
| November 04, 2015 | 20,588 | 10/- | 34/- | Cash | Private Placement (xxxiv) | 77,34,601 | 40,78,98,974 | 7,73,46,010 |
| February 08, 2016 | 36,029 | 10/- | 34/- | Cash | Private Placement (xxxv) | 77,70,630 | 40,87,63,670 | 7,77,06,300 |
| March 25, 2016 | 36,029 | 10/- | 34/- | Cash | Private Placement (xxxvi) | 78,06,659 | 40,96,28,366 | 7,80,66,590 |

| | | | | | | | | |
|--------------------|-----------|------|------|-----------------|--|-------------|--------------|--------------|
| September 15, 2016 | 87,903 | 10/- | 31/- | Cash | Private Placement ^(xxxvii) | 78,94,562 | 41,14,74,329 | 7,89,45,620 |
| August 17, 2022 | 98,68,202 | 10/- | - | Other than Cash | Bonus Issue in the ratio of 5:4 ^(xxxviii) | 1,77,62,764 | 31,27,92,309 | 17,76,27,640 |

All the above mentioned shares are fully paid up since the date of allotment.

*Minutes and resolutions for the said allotments are not available with the Company, thus the nature of allotment cannot be traced. The details in respect of share allotments have been inserted based on the Form-2/Form PAS-3 filed with ROC and limited information available with the Company. Please refer to Risk Factor "Certain of our corporate records related to forms filed with the Registrar of Companies and litigation case documents mainly relating to the period before acquisition are not traceable." on page 31 of this Prospectus.

(i) Initial Subscribers to the Memorandum of Association subscribed 30000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

| Sr. No. | Name of Subscribers | Number of Shares Subscribed |
|---------|------------------------|-----------------------------|
| 1. | Avinash Chandra Kapoor | 10,000 |
| 2. | Ajay Kapoor | 10,000 |
| 3. | Rajat Kapoor | 10,000 |
| | Total | 30,000 |

(ii) Further Issue of 10,18,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|--|---------------------------|
| 1. | Avinash Chandra Kapoor | 4,25,000 |
| 2. | Ajay Kapoor | 17,000 |
| 3. | Rajat Kapoor | 14,000 |
| 4. | Madhu Kapoor | 16,000 |
| 5. | Avinash Chandra HUF | 35,500 |
| 6. | Manisha Rajat Kapoor | 5,000 |
| 7. | Engineering and Metallurgical Consultants Private Limited | 1,55,500 |
| 8. | Ascent Transcription Services (India) Pvt. Ltd | 16,500 |
| 9. | Kapoor Engineering and Metallurgical Consultants Private Limited | 3,30,000 |
| 10. | Vidharba Energy Private Limited | 3,500 |
| | Total | 10,18,000 |

(iii) Further Issue of 5,51,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-----------------------------|---------------------------|
| 1. | Danta Vyapaar Kendra Ltd | 3,16,000 |
| 2. | KPJ Concast Ltd | 35,000 |
| 3. | Sikhar Commotrade (P) Ltd | 1,25,000 |
| 4. | Shree Vinay Finvest Pvt Ltd | 35,000 |
| 5. | Swagat Trexim Pvt Ltd | 40,000 |
| | Total | 5,51,000 |

(iv) Further Issue of 90,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------|---------------------------|
| 1. | Adhunik Gases Limited | 30,000 |
| 2. | Mod Commedeal Private Ltd | 35,000 |
| 3. | Gilbart Merchants Private Ltd | 25,000 |
| | Total | 90,000 |

(v) Further Issue of 1,30,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|---------------------------------|---------------------------|
| 1. | Sanee Capital & Leasing Pvt Ltd | 1,30,000 |
| | Total | 1,30,000 |

(vi) Further Issue of 3,75,000 Equity Shares of Face Value of Rs. 10/- each on as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|---------------------------------|---------------------------|
| 1. | Sanee Capital & Leasing Pvt Ltd | 3,75,000 |
| | Total | 3,75,000 |

(vii) Further Issue of 2,87,500 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|---------------------------------|---------------------------|
| 1. | Sanee Capital & Leasing Pvt Ltd | 2,87,500 |
| | Total | 2,87,500 |

(viii) Further Issue of 2,09,500 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-----------------------------------|---------------------------|
| 1. | Eastern Gas Chemicals Pvt. Ltd. | 12,500 |
| 2. | High Time Holdings Pvt. Ltd. | 50,000 |
| 3. | Pabitra Enclave Pvt. Ltd | 35,000 |
| 4. | Sanee Capital & Leasing Pvt. Ltd. | 2,000 |
| 5. | S.K Fintex Pvt. Ltd | 10,000 |
| 6. | Sonata Vanijya Pvt. Ltd. | 1,00,000 |
| | Total | 2,09,500 |

(ix) Preferential Issue of 82,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 82,000 |
| | Total | 82,000 |

(x) Preferential Issue of 1,19,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 1,19,000 |
| | Total | 1,19,000 |

(xi) Preferential Issue of 1,10,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 1,10,000 |
| | Total | 1,10,000 |

(xii) Preferential Issue of 1,20,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 1,20,000 |
| | Total | 1,20,000 |

(xiii) Preferential Issue of 1,06,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 1,06,000 |

| | | |
|--|--------------|-----------------|
| | Total | 1,06,000 |
|--|--------------|-----------------|

(xiv) *Preferential Issue of 1,22,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 1,22,000 |
| | Total | 1,22,000 |

(xv) *Preferential Issue of 20,10,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------|---------------------------|
| 1. | Mohit Vyapaar Private Limited | 18,20,000 |
| 2. | S.K Fintex Pvt. Ltd. | 1,90,000 |
| | Total | 20,10,000 |

(xvi) *Private Placement of 90,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|----------------------|---------------------------|
| 1. | S.K Fintex Pvt. Ltd. | 90,000 |
| | Total | 90,000 |

(xvii) *Private Placement of 66,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 66,000 |
| | Total | 66,000 |

(xviii) *Private Placement of 76,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 76,000 |
| | Total | 76,000 |

(xix) *Private Placement of 16,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 16,000 |
| | Total | 16,000 |

(xx) *Private Placement of 14,800 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 14,800 |
| | Total | 14,800 |

(xxi) *Private Placement of 16,750 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 16,750 |
| | Total | 16,750 |

(xxii) *Private Placement of 39,375 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 39,375 |
| | Total | 39,375 |

(xxiii) *Private Placement of 12,50,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|--------------------------------|---------------------------|
| 1. | Ginny Traders Private Limited | 6,25,000 |
| 2. | Sonata Vanijya Private Limited | 6,25,000 |
| | Total | 12,50,000 |

(xxiv) Private Placement of 30,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 30,000 |
| | Total | 30,000 |

(xxv) Private Placement of 2,22,500 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|---------------------------------|---------------------------|
| 1. | Nivedan Vyapaar Private Limited | 1,75,000 |
| 2. | Kamyabi Vanijya Private Limited | 47,500 |
| | Total | 2,22,500 |

(xxvi) Private Placement of 21,250 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 21,250 |
| | Total | 21,250 |

(xxvii) Private Placement of 27,500 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 27,500 |
| | Total | 27,500 |

(xxviii) Private Placement of 2,50,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|--|---------------------------|
| 1. | Sampat Marketing Company Private Limited | 2,50,000 |
| | Total | 2,50,000 |

(xxix) Private Placement of 1,25,000 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|--|---------------------------|
| 1. | Sampat Marketing Company Private Limited | 1,25,000 |
| | Total | 1,25,000 |

(xxx) Private Placement of 57,500 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 57,500 |
| | Total | 57,500 |

(xxxi) Private Placement of 16,500 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 16,500 |
| | Total | 16,500 |

(xxxii) Private Placement of 14,250 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------|---------------------------|
|---------|-------------------|---------------------------|

| | | |
|----|-------------------------------------|---------------|
| 1. | Vandita Investments Private Limited | 14,250 |
| | Total | 14,250 |

(xxxiii) Private Placement of 20,588 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 20,588 |
| | Total | 20,588 |

(xxxiv) Private Placement of 20,588 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 20,588 |
| | Total | 20,588 |

(xxxv) Private Placement of 36,029 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 36,029 |
| | Total | 36,029 |

(xxxvi) Private Placement of 36,029 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 36,029 |
| | Total | 36,029 |

(xxxvii) Private Placement of 87,903 Equity Shares of Face Value of Rs. 10/- each as per details given below:

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---------|-------------------------------------|---------------------------|
| 1. | Vandita Investments Private Limited | 87,903 |
| | Total | 87,903 |

For details, refer "History and Corporate Structure" on page 116.

(xxxviii) Bonus issue of 98,68,202 Equity shares of Face value of Rs. 10/- each in the ratio of 5:4 i.e. Five Bonus issue for every Four Equity shares held on the record date i.e. August 16, 2022. (refer point no.4 below for allottees list)

- b) As on the date of this Prospectus our Company does not have any Preference Share Capital.
3. Except as mentioned in point number 4 below, the Company has not issued any Equity Share in the last two years preceding the date of the Prospectus.
4. **Issue of Equity Shares for consideration other than cash:**

Except as set out below we have not issued Equity Shares for consideration other than cash:

| Date of Allotment | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for Allotment | Benefits Accrued to our Company | Name of Allottees | No. of Shares Allotted |
|-----------------------|-------------------------|------------------|-------------------|---------------------------------|---------------------------------------|--|------------------------|
| August 17, 2022 | 98,68,202 | 10/- | 10/- | Bonus Issue in the ratio of 5:4 | Capitalization of Reserves & Surplus* | Aryabhatt Sales Private Limited | 19,00,220 |
| | | | | | | Ramesh Kumar Agrawal | 82,205 |
| | | | | | | Keshav Kumar Agrawal | 82,205 |
| | | | | | | Chetan Kumar Agrawal | 82,205 |
| | | | | | | Amita Agrawal | 82,205 |
| | | | | | | G.R. Minerals and Industries Private Limited | 19,08,605 |
| | | | | | | G.R. Ecotech Private Limited | 18,98,840 |
| G.R. Sponge and Power | 19,14,115 | | | | | | |

| | | | | | | | |
|--|--|--|--|--|--|-----------------------------|------------------|
| | | | | | | Limited | |
| | | | | | | N.R. Sponge Private Limited | 19,17,602 |
| | | | | | | Total | 98,68,202 |

**Above allotment of shares has been made out of permissible reserve, as a part of the amount standing to the credit of Securities Premium reserve and no part of revaluation reserve has been utilized for the purpose.*

5. No Equity shares have been allotted pursuant to any scheme approved under section 230-234 of the Companies Act 2013 or under the erstwhile corresponding provision of the Companies Act 1956.
6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
7. Except for bonus issue made on August 17, 2022, for 98,68,202 Equity Shares as mentioned in point no. 4, our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Prospectus.
8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
9. **Shareholding Pattern of the Company:**

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Prospectus:

I - Our Shareholding Pattern:-

| Category | Category of shareholder | Nos. 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 | 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 | Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity 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 Equity Shares of Rs.10/- each^ | Class eg: y | Total | | | | | | | | |
| I | II | III | IV | V | VI | VII = IV+V+VI | VIII | IX | | | | X | XI=VII+X | XII | XIII | XIV | | |
| (A) | Promoter & Promoter group | 09 | 1,77,62,764 | - | - | 1,77,62,764 | 100 | 1,77,62,764 | - | 1,77,62,764 | 100 | - | 100 | - | - | - | 1,77,62,764 | |
| (B) | Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (C) | Non Promoter - Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (C1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (C2) | Shares held by Emp. Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Total | 09 | 1,77,62,764 | - | - | 1,77,62,764 | 100 | 1,77,62,764 | - | 1,77,62,764 | 100 | - | 100 | - | - | - | 1,77,62,764 | |

Notes-

- As on date of this Prospectus 1 Equity share holds 1 vote.
- We have only one class of Equity Shares of face value of Rs. 10/- each.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.
- We have entered into tripartite agreement with CDSL & NSDL.
- The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- There are no Equity Shares against which depository receipts have been issued.
- Other than the Equity Shares, there is no other class of securities issued by our Company

II – Shareholding pattern of the Promoter and Promoter group

| Sr. No. | Category & Name of the Shareholders | No. of shares held | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of underlying Depositor Receipts | Total nos. shares held | Shareholding (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 | | Number of equity shares held in dematerialized form | |
|---------|--|--------------------|---|-----------------------------------|---------------------------------------|------------------------|---|---|---------|----------|--|---|----------------------------|---------------------------------|---------------------------------------|---------------------------------|---|----------|
| | | | | | | | | No of Voting Rights Class Equity Shares of Rs.10/- each | Class Y | Total | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total shares held (b) | | |
| | I | II | III | IV | V | VI=IV+V+VI | VII | VIII | | | IX | X = VI+ IX | XI | | XII | | XIII | |
| (1) | Indian | | | | | | | | | | | | | | | | | |
| (a) | Individuals/ Hindu undivided Family | 04 | 5,91,876 | - | - | 5,91,876 | 3.32 | 5,91,876 | | 5,91,876 | 3.32 | - | 3.32 | - | - | - | - | 5,91,876 |
| 1. | Ramesh Kumar Agrawal | 1 | 1,47,969 | - | - | 1,47,969 | 0.83 | 1,47,969 | | 1,47,969 | 0.83 | - | 0.83 | - | - | - | - | 1,47,969 |
| 2. | Chetan Kumar Agrawal | 1 | 1,47,969 | - | - | 1,47,969 | 0.83 | 1,47,969 | | 1,47,969 | 0.83 | - | 0.83 | - | - | - | - | 1,47,969 |
| 3. | Keshav Kumar Agrawal | 1 | 1,47,969 | - | - | 1,47,969 | 0.83 | 1,47,969 | | 1,47,969 | 0.83 | - | 0.83 | - | - | - | - | 1,47,969 |
| 4 | Amita Agrawal | 1 | 1,47,969 | - | - | 1,47,969 | 0.83 | 1,47,969 | | 1,47,969 | 0.83 | - | 0.83 | - | - | - | - | 1,47,969 |
| (b) | Central | 0 | - | - | - | - | - | - | | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | |
|-----|--|-----------|--------------------|----------|----------|--------------------|------------|--------------------|----------|--------------------|------------|----------|------------|----------|--------------------|
| | Government/ State Government(s) | | | | | | | | | | | | | | |
| (c) | Financial Institutions/ Banks | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Any Other (Body Corporates) | 05 | 1,71,70,888 | - | - | 1,71,70,888 | 96.68 | 1,71,70,888 | - | 1,71,70,888 | 96.68 | - | 96.68 | - | 1,71,70,888 |
| | Aryabhata Sales Private Limited | 1 | 34,20,396 | - | - | 34,20,396 | 19.26 | 34,20,396 | - | 34,20,396 | 19.26 | - | 19.26 | - | 34,20,396 |
| | G.R. Minerals and Industries Private Limited | 1 | 34,35,489 | - | - | 34,35,489 | 19.35 | 34,35,489 | - | 34,35,489 | 19.35 | - | 19.35 | - | 34,35,489 |
| | G.R. Ecotech Private Limited | 1 | 34,17,912 | - | - | 34,17,912 | 19.24 | 34,17,912 | - | 34,17,912 | 19.24 | - | 19.24 | - | 34,17,912 |
| | G.R. Sponge and Power Limited | 1 | 34,45,407 | - | - | 34,45,407 | 19.40 | 34,45,407 | - | 34,45,407 | 19.40 | - | 19.40 | - | 34,45,407 |
| | N.R Sponge and Private Limited | 1 | 34,51,684 | - | - | 34,51,684 | 19.43 | 34,51,684 | - | 34,51,684 | 19.43 | - | 19.43 | - | 34,51,684 |
| | Sub-Total (A)(1) | 09 | 1,77,62,764 | - | - | 1,77,62,764 | 100 | 1,77,62,764 | - | 1,77,62,764 | 100 | - | 100 | - | 1,77,62,764 |
| (2) | Foreign | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Individuals (Non- Resident Individuals/ Foreign Individuals) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Government | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (A)(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Shareholding of Promoter | 09 | 1,77,62,764 | - | - | 1,77,62,764 | 100 | 1,77,62,764 | - | 1,77,62,764 | 100 | - | 100 | - | 1,77,62,764 |

| | | | | | | | | | | | | | | | | | | | |
|--|---------------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | and Promoter group (A)= (A)(1)+(A)(2) | | | | | | | | | | | | | | | | | | |
|--|---------------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

*As on date of this Prospectus 1 Equity share holds 1 vote.

III- Shareholding pattern of the Public shareholder

| Sr. No. | Category & Name of the Shareholders | No. of share holders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % (calculated as per SCRR, 1957) As a % of (A+B+C 2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialized form |
|---------|-------------------------------------|----------------------|---|-----------------------------------|---|------------------------|--|--|---------|-------|-------------------------------------|--|--|----------------------------|---------------------------------|--|--|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting rights | | | No. | As a % of total shares held (b) | No. (not applicable) (a) | As a % of total shares held (not applicable) (b) | |
| | | | | | | | | Class Equity Shares of Rs.10/- each | Class Y | Total | | | | | | | | |
| | I | II | III | IV | V | VI=III+IV+V | VII | VIII | | | IX | X= VI+IX | XI | XII | | XIII | | |
| (1) | Institutions | | | | | | | | | | | | | | | | | |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Alternate Investment Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Foreign Portfolio Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) | Financial Institutions/ Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (g) | Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (h) | Provident Funds/ Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (i) | Any Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | |
|-----|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (specify) | | | | | | | | | | | | | | | |
| | Sub-Total (B)(1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Central Government/ State Government(s)/ President of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (3) | Non-institutions | | | | | | | | | | | | | | | |
| (a) | Individuals | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | NBFCs registered with RBI | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other Body Corporate | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Public Shareholding (B)= (B) (1)+ (B) (2) +(B)(3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

IV - Shareholding pattern of the Non-Promoter- Non Public shareholder

| Sr. No. | Category & Name of the Shareholders | No. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C 2) | Number of Voting Rights held in each class of securities | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in Share dematerialized form (Not applicable) | |
|---------|--|---------------------|---|-----------------------------------|---|------------------------|--|--|----------|----------|--|--|-------------------------------------|----------|--|----------------------|--|--|
| | | | | | | | | No of Voting Rights | | | | | Total as a % of Total Voting rights | No. | As a % of total Shares held | No. (not applicable) | | As a % of total shares held (not applicable) |
| | | | | | | | | Class Equity Shares of Rs.10/- each | Class Y | Total | | | | | | | | |
| | I | II | III | IV | V | VI=III+IV+V | VII | VIII | | | IX | X= VI+IX | XI | XII | | XIII | | |
| (1) | Custodian/DR Holder | | | | | | | | | | | | | | | | | |
| (a) | Name of DR Holder (if available) | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Sub Total (c)(1) | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (2) | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Sub Total (C)(2) | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Total Non- Promoter Non-Public shareholding (C) = (C)(1)+(C)(2) | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |

10. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-

a) As on the date of filing of this Prospectus:-

| Sr. No. | Names of Shareholders | Shares held (Face Value of Rs. 10 each) | % Pre Issue paid up Share Capital |
|---------|--|---|-----------------------------------|
| 1. | Aryabhata Sales Private Limited | 34,20,396 | 19.26 |
| 2. | G.R. Minerals and Industries Private Limited | 34,35,489 | 19.35 |
| 3. | G.R. Ecotech Private Limited | 34,17,912 | 19.24 |
| 4. | G.R. Sponge and Power Limited | 34,45,407 | 19.40 |
| 5. | N.R. Sponge and Private Limited | 34,51,684 | 19.43 |
| | Total | 1,71,70,888 | 96.68 |

b) Ten days prior to the date of filing of this Prospectus:-

| Sr. No. | Names of Shareholders | Shares held (Face Value of Rs. 10 each) | % Pre Issue paid up Share Capital |
|---------|--|---|-----------------------------------|
| 1. | Aryabhata Sales Private Limited | 34,20,396 | 19.26 |
| 2. | G.R. Minerals and Industries Private Limited | 34,35,489 | 19.35 |
| 3. | G.R. Ecotech Private Limited | 34,17,912 | 19.24 |
| 4. | G.R. Sponge and Power Limited | 34,45,407 | 19.40 |
| 5. | N.R. Sponge and Private Limited | 34,51,684 | 19.43 |
| | Total | 1,71,70,888 | 96.68 |

c) One Year prior to the date of filing of this Prospectus:-

| Sr. No. | Names of Shareholders* | Shares held (Face Value of Rs. 10 each) | % Pre Issue paid up Share Capital |
|---------|--|---|-----------------------------------|
| 1. | Aryabhata Sales Private Limited | 15,20,175 | 19.26 |
| 2. | G.R. Minerals and Industries Private Limited | 15,26,885 | 19.34 |
| 3. | G.R. Ecotech Private Limited | 15,19,070 | 19.24 |
| 4. | G.R. Sponge and Power Limited | 15,31,290 | 19.40 |
| 5. | N.R. Sponge and Private Limited | 15,34,082 | 19.43 |
| | Total | 76,31,502 | 96.67 |

*Details of shares held on December 28, 2021 and percentage held has been calculated based on the paid up capital of our Company as on December 28, 2021.

d) Two Years prior to the date of filing of this Prospectus:-

| Sr. No. | Names of Shareholders* | Shares held (Face Value of Rs. 10 each) | % Pre Issue paid up Share Capital |
|---------|--|---|-----------------------------------|
| 1. | Aryabhata Sales Private Limited | 15,20,175 | 19.26 |
| 2. | G.R. Minerals and Industries Private Limited | 15,26,885 | 19.34 |
| 3. | G.R. Ecotech Private Limited | 15,19,070 | 19.24 |
| 4. | G.R. Sponge and Power Limited | 15,31,290 | 19.40 |
| 5. | N.R. Sponge and Private Limited | 15,34,082 | 19.43 |
| | Total | 76,31,502 | 96.67 |

*Details of shares held on December 28, 2020 and percentage held has been calculated based on the paid up capital of our Company as on December 28, 2020.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split /

consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Capital Buildup in respect of Shareholding of our Promoter

As on the date of this Prospectus, Our Promoters, Chetan Kumar Agrawal, Keshav Kumar Agrawal, G.R. Sponge and Power Limited and N.R. Sponge Private Limited holds 71,93,029 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoter in our Company since incorporation.

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Consideration | Nature of Issue | Pre-Issue Shareholding % | Post-Issue Shareholding % |
|--|----------------------|--------------------------|--|-----------------|---|--------------------------|---------------------------|
| A. Chetan Kumar Agrawal | | | | | | | |
| June 17, 2019 | 65,765 | 10 | 25.97 | Cash | Acquisition by way of Transfer of Shares ^(a) | 0.37 | 0.27% |
| August 12, 2022 | (1) | 10 | 0 | Gift | Transfer of shares ^(b) | 0.00 | 0.00% |
| August 17, 2022 | 82,205 | 10 | Nil | Other than Cash | Issue of Bonus shares in the ratio of 5:4 | 0.46 | 0.34% |
| Total (A) | 1,47,969 | | | | | 0.83% | 0.61% |
| B. Keshav Kumar Agrawal | | | | | | | |
| June 17, 2019 | 65,765 | 10 | 25.97 | Cash | Acquisition by way of Transfer of Shares ^(c) | 0.37 | 0.27% |
| August 04, 2022 | (1) | 10 | 0 | Gift | Transfer of shares ^(d) | 0.00 | 0.00% |
| August 17, 2022 | 82,205 | 10 | Nil | Gift | Issue of Bonus shares in the ratio of 5:4 | 0.46 | 0.34% |
| Total (B) | 1,47,969 | | | | | 0.83% | 0.61% |
| C. G.R. Sponge and Power Limited | | | | | | | |
| June 17, 2019 | 15,31,290 | 10 | 25.97 | Cash | Acquisition by way of Transfer of Shares ^(e) | 8.62 | 6.34% |
| August 04, 2022 | 1 | 10 | 0 | Gift | Transfer of shares ^(f) | 0 | 0.00% |
| August 12, 2022 | 1 | 10 | 0 | Gift | Transfer of shares ^(g) | 0 | 0.00% |
| August 17, 2022 | 19,14,115 | 10 | Nil | Other than Cash | Issue of Bonus shares in the ratio of 5:4 | 10.78 | 7.93% |

| | | | | | | | |
|---------------------------------------|------------------|----|-------|-----------------|---|---------------|---------------|
| Total (B) | 34,45,407 | | | | | 19.40% | 14.28% |
| D. N.R. Sponge Private Limited | | | | | | | |
| June 17, 2019 | 15,34,082 | 10 | 25.97 | Cash | Acquisition by way of Transfer of Shares ^(h) | 8.64 | 6.36% |
| August 17, 2022 | 19,17,602 | 10 | Nil | Other than Cash | Issue of Bonus shares in the ratio of 5:4 | 10.80 | 7.95% |
| Total (C) | 34,51,684 | | | | | 19.43% | 14.30% |
| Grand Total | 71,93,029 | | | | | 40.49% | 29.80% |

Note –None of the Shares have been pledged by our shareholders.

(a) *Details of Acquisition by Chetan Kumar Agrawal by way of Transfer of 65,765 equity shares dated June17, 2019.*

| Sr. No. | Date of Transfer | Name of Transferor | No. of Share Transfer |
|---------|------------------|-------------------------------|-----------------------|
| 1. | June 17, 2019 | Mohit Vyapaar Private Limited | 65,765 |
| | | Total | 65,765 |

(b) *Details of transfer of shares by Chetan Kumar Agrawal of 1 equity share dated August 12, 2022.*

| Sr. No. | Date of Transfer | Name of Transferee | No. of Share Transfer |
|---------|------------------|-------------------------------|-----------------------|
| 1. | August 12, 2022 | G.R. Sponge and Power Limited | 1 |
| | | Total | 1 |

(c) *Details of Acquisition by Keshav Kumar Agrawal by way of Transfer of 65,765 equity shares dated June17, 2019*

| Sr. No. | Date of Transfer | Name of Transferor | No. of Share Transfer |
|---------|------------------|-------------------------------|-----------------------|
| 1. | June 17, 2019 | Mohit Vyapaar Private Limited | 65,765 |
| | | Total | 65,765 |

(d) *Details of transfer of shares by Keshav Kumar Agrawal of 1 equity share dated August 12, 2022.*

| Sr. No. | Date of Transfer | Name of Transferee | No. of Share Transfer |
|---------|------------------|------------------------------|-----------------------|
| 1. | August 04, 2022 | G.R. Ecotech Private Limited | 1 |
| | | Total | 1 |

(e) *Details of Acquisition to G.R. Sponge and Power Limited by way of Transfer of 15, 31,290 equity shares dated June 17, 2019.*

| Sr. No. | Date of Transfer | Name of Transferor | No. of Share Transfer |
|---------|------------------|--------------------------------|-----------------------|
| 1. | June 17, 2019 | S. K. Fintex Private Limited | 7,92,790 |
| 2. | June 17, 2019 | Sonata Vanijya Private Limited | 7,38,500 |
| | | Total | 15,31,290 |

(f) *Details of transfer of shares to G.R. Sponge and Power Limited of 2 equity share dated August 04, 2022 and August 12, 2022*

| Sr. No. | Date of Transfer | Name of Transferor | No. of Share Transfer |
|---------|------------------|--|-----------------------|
| 1. | August 04, 2022 | G.R. Minerals and Industries Private Limited | 1 |
| 2. | August 12, 2022 | Chetan Kumar Agrawal | 1 |
| | | Total | 2 |

(g) Details of transfer of shares to N.R. Sponge Private Limited of 15, 34,082 equity shares dated June 17, 2019.

| Sr. No. | Date of Transfer | Name of Transferee | No. of Share Transfer |
|---------|------------------|--|-----------------------|
| 1. | June 17, 2019 | Vandita Investments Private Limited | 6,06,812 |
| 2. | June 17, 2019 | MSP Sponge Iron Limited | 5,56,500 |
| 3. | June 17, 2019 | Sampat Marketing Company Private Limited | 3,70,770 |
| | | Total | 15,34,082 |

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

| Sr. No. | Name of the Promoters | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|-------------------------------|--------------------|------------------------------------|
| 1. | Chetan Kumar Agrawal | 1,47,969 | 11.54 |
| 2. | Keshav Kumar Agrawal | 1,47,969 | 11.54 |
| 2. | G.R. Sponge and Power Limited | 34,45,407 | 11.54 |
| 3. | N.R. Sponge Private Limited | 34,51,684 | 11.54 |

15. Shareholding of Promoters & Promoters Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoter and Promoter group”:

| | Names | Pre IPO | | Post IPO | |
|----|--|--------------------|---------------|--------------------|---------------|
| | | Shares Held | % Shares Held | Shares Held | % Shares Held |
| | Promoters | | | | |
| 1. | Chetan Kumar Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 2. | Keshav Kumar Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 3. | G.R. Sponge and Power Limited | 34,45,407 | 19.40 | 34,45,407 | 14.28% |
| 4. | N.R. Sponge Private Limited | 34,51,684 | 19.43 | 34,51,684 | 14.30% |
| | Sub Total (A) | 71,93,029 | 40.49% | 71,93,029 | 29.80% |
| | Promoters Group | | | | |
| 5. | Aryabhatt Sales Private Limited | 34,20,396 | 19.26 | 34,20,396 | 14.17% |
| 6. | Amita Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 7. | Ramesh Kumar Agrawal | 1,47,969 | 0.83 | 1,47,969 | 0.61% |
| 8. | G.R. Minerals and Industries Private Limited | 34,35,489 | 19.34 | 34,35,489 | 14.23% |
| 9. | G.R. Ecotech Private Limited | 34,17,912 | 19.24 | 34,17,912 | 14.16% |
| | Sub Total (B) | 1,05,69,735 | 59.51% | 1,05,69,735 | 43.79% |
| | Grand Total (A+B) | 1,77,62,764 | 100.00 | 1,77,62,764 | 73.60% |

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoter and Promoter group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Prospectus:

| Date of Transfer | Name of Shareholder | No. of Equity Share | % of Pre issue Capital | Subscribed/ Acquire/ Transfer | Category of Allottees (Promoter/Promoter Group/ Director) |
|------------------|-------------------------------|---------------------|------------------------|--|---|
| August 04, 2022 | G.R. Sponge and Power Limited | 1 | 0.00 | Acquisition of shares by way of Transfer | Promoter |

| | | | | | |
|-----------------|--|-----------|--------|---|----------------|
| August 04, 2022 | Keshav Kumar Agrawal | (1) | (0.00) | Disposal of shares by way of Transfer | Promoter |
| August 04, 2022 | G.R. Minerals and Industries Private Limited | (1) | (0.00) | Disposal of shares by way of Transfer | Promoter Group |
| August 04, 2022 | G.R. Ecotech Private Limited | 1 | 0.00 | Acquisition of shares by way of Transfer | Promoter Group |
| August 11, 2022 | Ramesh Kumar Agrawal | (1) | (0.00) | Disposal of shares by way of Transfer | Promoter Group |
| August 11, 2022 | Aryabhatt Sales Private Limited | 1 | 0.00 | Acquisition of shares by way of Transfer | Promoter Group |
| August 12, 2022 | Chetan Kumar Agrawal | (1) | (0.00) | Acquisition of shares by way of Transfer | Promoter |
| August 12, 2022 | G.R. Sponge and Power Limited | 1 | 0.00 | Acquisition of shares by way of Transfer | Promoter |
| August 12, 2022 | Amita Agrawal | (1) | (0.00) | Disposal of shares by way of Transfer | Promoter Group |
| August 12, 2022 | G.R. Ecotech Private Limited | 1 | 0.00 | Acquisition of shares by way of Transfer | |
| August 17, 2022 | Chetan Kumar Agrawal | 82,205 | 0.46 | Acquisition of shares under the Bonus issue | Promoter |
| August 17, 2022 | G.R. Sponge and Power Limited | 19,14,115 | 10.78 | Acquisition of shares under the Bonus issue | Promoter |
| August 17, 2022 | N.R. Sponge Private Limited | 19,17,602 | 10.80 | Acquisition of shares under the Bonus issue | Promoter |
| August 17, 2022 | Aryabhatt Sales Private Limited | 19,00,220 | 10.70 | Acquisition of shares under the Bonus issue | Promoter Group |
| August 17, 2022 | Amita Agrawal | 82,205 | 0.46 | Acquisition of shares under the Bonus issue | Promoter Group |
| August 17, 2022 | Ramesh Kumar Agrawal | 82,205 | 0.46 | Acquisition of shares under the Bonus issue | Promoter Group |
| August 17, 2022 | Keshav Kumar Agrawal | 82,205 | 0.46 | Acquisition of shares under the Bonus issue | Promoter |
| August 17, 2022 | G.R. Minerals and Industries Private Limited | 19,08,605 | 10.74 | Acquisition of shares under the Bonus issue | Promoter Group |
| August 17, 2022 | G.R. Ecotech Private Limited | 18,98,840 | 10.69 | Acquisition of shares under the Bonus issue | Promoter Group |

17. None of our Promoters, Promoter group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Prospectus.

18. Details of Promoters' Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("**Promoters Contribution**") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Prospectus, our Promoters hold 71,93,029 Equity Shares constituting 29.80 % of the Post – Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters, G.R. Sponge and Power Limited and N.R. Sponge Private Limited have given written consents to include 48,40,000 Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20.05 % of the

post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

| Date of Allotment/Transfer fully paid up | No. of Equity Shares locked-in | Face Value Per Share (₹) | Issue/Acquisition/Transfer Price (₹) | Nature of transaction | Post-Issue Shareholding %* | Lock in Period |
|--|--------------------------------|--------------------------|--------------------------------------|--------------------------------|----------------------------|----------------|
| G.R. Sponge and Power Limited | | | | | | |
| June 17, 2019 | 15,31,290 | 10 | 25.97 | Acquisition by way of transfer | 6.34% | 3 Years |
| August 17, 2022 | 8,88,710 | 10 | Nil | Bonus in the ratio of 5:4 | 3.68% | 3 Years |
| Sub Total (A) | 24,20,000 | | | | 10.03% | |
| N.R. Sponge Private Limited | | | | | | |
| June 17, 2019 | 15,34,082 | 10 | 25.97 | Acquisition by way of transfer | 6.36% | 3 Years |
| August 17, 2022 | 8,85,918 | 10 | Nil | Bonus in the ratio of 5:4 | 3.67% | 3 Years |
| Sub Total (B) | 24,20,000 | | | | 10.03% | |
| Total | 48,40,000 | | | | 20.05% | |

*Assuming full subscription to the Offer

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

The entire pre-issue shareholding of the Promoters and promoter group, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

| Reg. No. | Promoters' Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|------------------|--|---|
| 237(1) (a) (i) | Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible</u> |
| 237 (1) (a) (ii) | Specified securities acquired during the preceding three years, if they are resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible</u> |
| 237 (1) (b) | Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible.</u> |
| 237(1) (c) | Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible.</u> |

| Reg. No. | Promoters' Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|-------------|---|--|
| | partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible | |
| 237 (1) (d) | Specified securities pledged with any creditor. | Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible.</u> |

Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 1,29,22,764 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the Ratio of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

- a) In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
 - b) In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
 - c) Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the Promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
19. Neither, we nor our Promoters, Directors and the LM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
 20. As on the date of this Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up Equity shares.
 21. The LM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.

22. As on the date of this Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan 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.
23. We have 9 (Nine) shareholders as on the date of filing of this Prospectus.
24. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
25. Our Company has not raised any bridge loan against the proceeds of the Issue.
26. As on the date of this Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
28. An over-subscription to the extent of 1% of the Issue, can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
30. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
32. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
33. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
34. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
35. There are no Equity Shares against which depository receipts have been issued.
36. Other than the Equity Shares, there is no other class of securities issued by our Company.
37. There are no safety net arrangements for this public issue.
38. As per RBI regulations, OCBs are not allowed to participate in this issue.
39. Our Promoters and Promoter group will not participate in this Issue.
40. This Issue is being made through Fixed Price Issue.

41. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
42. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
43. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter group, if any, between the date of filing the Prospectus with the Registrar of companies and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 63,72,000 Equity Shares of our Company at an Issue Price of Rs. 38/-per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

1. To meet Working Capital requirements
2. General Corporate Purpose
3. To meet issue expenses

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

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

We are primarily engaged in the business of manufacturing and selling of Direct Reduced Iron (i.e. sponge iron). Sponge iron is mainly used as a raw material for making steel in electric arc furnaces and induction furnaces. The main objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the object’s clause of our Memorandum of Association.

Net Proceeds

The details of the Net Proceeds are set forth below:

| Particulars | Amt (Rs. in Lacs) |
|---|--------------------------|
| Gross Proceeds of the Issue | 2421.36 |
| Less: Issue related expenses in relation to Issue | 194.00 |
| Net Proceeds | 2227.36 |

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

| S. No | Particulars | Amt (Rs. in Lacs) |
|--------------|--------------------------------------|--------------------------|
| 1. | To meet Working Capital requirements | 1650.00 |
| 2. | General Corporate Purpose | 577.36 |
| | Total | 2227.36 |

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans 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 or in other financial conditions, business strategy, as discussed further below.

Means of Finance

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

| Particulars | Amt (Rs. in Lacs) |
|--------------------|--------------------------|
| Net Issue Proceeds | 2227.36 |
| Total | 2227.36 |

Since, the entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

Subject to applicable law, if the actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate

purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in “Objects of the Issue – Variation in Objects” on page 81.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page 24 of this Prospectus.

Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

1. To Meet Working Capital Requirements

Our business requires working capital majorly for investment in trade receivables and inventories and funding day to day operations. The Company will meet the requirement to the extent of Rs.1650.00 lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time

Details of Estimation of Working Capital requirement are as follows:

(Rs. In Lacs)

| S. No. | Particulars | Actual (Restated) | | | Estimated | |
|--------|--|-------------------|-----------------|-----------------|----------------|----------------|
| | | 31-March-2020 | 31-March-2021 | 31-March-2022 | 31-March-2023 | 31-March-2024 |
| I | Current Assets | | | | | |
| | Inventories | 1,608.91 | 1,634.38 | 1,832.61 | 2535.70 | 2830.47 |
| | Trade receivables | 265.98 | 458.17 | 1,194.31 | 1534.28 | 2038.79 |
| | Short Term Loans & Advances | 126.47 | 657.54 | 619.20 | 692.55 | 803.02 |
| | Other current assets | 2.80 | 17.45 | 31.45 | 68.00 | 90.30 |
| | Total (A) | 2,004.16 | 2,767.54 | 3,677.57 | 4830.53 | 5762.59 |
| II | Current Liabilities | | | | | |
| | Trade payables | 850.74 | 1231.11 | 497.54 | 536.93 | 539.97 |
| | Other current liabilities | 221.13 | 364.94 | 224.50 | 306.89 | 382.97 |
| | Short-term provisions | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 |
| | Total (B) | 1071.87 | 1596.06 | 722.05 | 843.83 | 922.95 |
| III | Total Working Capital Gap (A-B) | 932.29 | 1,171.48 | 2,955.52 | 3986.70 | 4839.64 |
| IV | Funding Pattern | | | | | |
| | Borrowings and Internal Accruals | 932.29 | 1,171.48 | 2,955.52 | 3136.70 | 4034.64 |
| | IPO Proceeds | | | | 850.00 | 800.00 |

Justification:

| S. No. | Particulars |
|--------------------|---|
| Inventories | Inventory levels are maintained by our Company depending upon the demand and delivery schedules. We have assumed Inventories turnover days to be around 44 days for F.Y. 2022-23 and 42 days for F.Y. 2023-24 as compared to 101 days in F.Y. 2019-20, 42 days in F.Y. 2020-21 and 36 days in F.Y. 2021-22. |
| Debtors | Our Company's general credit terms vary across geographies and type of customer. We expect Debtors Holding days to be around 26 and 30 days for F.Y. 2022-23 and F.Y. 2023-24 respectively, as compared to 17 days in F.Y. 2019-20, 12 days in F.Y. 2020-21 and 24 days in F.Y. 2021-22. |
| Creditors | Our Creditors payments days for F.Y. 2019-20, F.Y. 2020-21 and F.Y. 2021-22 were 49 days, 38 days and 11 days respectively and we expect to keep it in line a10 days for F.Y. 2022-23 and 2023-24. |

2. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. 577.36 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of Rs. 194 lakhs, such surplus amount shall be utilized for Working Capital requirements or General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

3. Public Issue Expenses

The total estimated Issue Expenses is Rs. 194.00 Lakhs, which is 8.01% of the total Issue Size. The details of the Issue Expenses are tabulated below:

| Activity | Amt. (Rs. in Lakhs) | As a % of Estimates Issue Expenses | As a % of Issue Size |
|---|---------------------|------------------------------------|----------------------|
| Lead Manger Fees | 22.00 | 11.34% | 0.91% |
| Fees Payable to Registrar to the Issue | 1.00 | 0.52% | 0.04% |
| Fees Payable for Advertising and Publishing Expenses | 2.00 | 1.03% | 0.08% |
| Fees Payable to Regulators including Stock Exchanges | 5.00 | 2.58% | 0.21% |
| Payment for Printing & Stationery, Postage, etc. | 2.00 | 1.03% | 0.08% |
| Fees Payable to Legal Advisors | 2.00 | 1.03% | 0.08% |
| Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees, Underwriting fees and Miscellaneous Expenses) | 160.00 | 82.47% | 6.61% |
| Total | 194.00 | 100.00% | 8.01% |

⁽¹⁾ Selling commission payable to the SCSBs on the portion for Retail Individual Investors. Non-Institutional Investors, which are directly procured by the SCSBs, would be as follows

| | |
|---|---|
| Portion for Retail Individual Applicants* | 0.10% of the Amount Allotted* (plus applicable taxes) |
| Portion for Non-Institutional | 0.10% of the Amount Allotted* (plus applicable taxes) |

| | |
|-------------|--|
| Applicants* | |
|-------------|--|

*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE

- (2) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Applicants and Non-Institutional Applicants which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

| | |
|--|--|
| Portion for Retail Individual Applicants | ₹10 per valid Bid cum Application Form (plus applicable taxes) |
| Portion for Non-Institutional Applicants | ₹10 per valid Bid cum Application Form (plus applicable taxes) |

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1 lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

- (3) The processing fees for applications made by Retail Individual Applicants using the UPI Mechanism would be as follows:

| | |
|--|--|
| Members of the Syndicate/ RTAs/ CDPs (uploading charges) | ₹10 per valid application (plus applicable taxes) |
| Sponsor Bank - Axis Bank Limited | ₹7 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws. |

*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIIs (up to ₹200,000), Non-Institutional Applicants (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds Rs 1 lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

- (4) Selling commission on the portion for Retail Individual Applicants and Non-Institutional Applicants which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

| | |
|--|---|
| Portion for Retail Individual Applicants | 0.10% of the Amount Allotted* (plus applicable taxes) |
| Portion for Non-Institutional Applicants | 0.10% of the Amount Allotted* (plus applicable taxes) |

*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Applicants which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Applicants which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

| | |
|---|---|
| Portion for Retail Individual Applicants* | ₹10 per valid application (plus applicable taxes) |
| Portion for Non-Institutional Applicants* | ₹10 per valid application (plus applicable taxes) |

* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed Rs.1 lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds Rs 1 lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Applicants which are procured by them and submitted to SCSB for blocking, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Applicants 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.

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

| S. No. | Particulars | Amount to be deployed and utilized in F.Y. 22-23 | Amount to be deployed and utilized in F.Y. 23-24 |
|--------|--------------------------------------|--|--|
| | | (Rs. in Lakhs) | |
| 1. | To meet Working Capital requirements | 850.00 | 800.00 |
| 2. | General Corporate Purpose | 577.36 | - |
| 3. | Issue Expenses | 194.00 | - |
| | Total | 1621.36 | 800.00 |
| | Grand Total | 2421.36 | |

Funds Deployed and Source of Funds Deployed:

Irasha Agrawal and Associates, Chartered Accountants vide their certificate dated December 20, 2022 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

| Particulars | Amt (Rs. in Lakhs) |
|----------------|--------------------|
| Issue Expenses | 16.18 |
| Total | 16.18 |

Sources of Financing for the Funds Deployed:

Irasha Agrawal and Associates, Chartered Accountants vide their certificate dated December 20, 2022 have confirmed that as on date of certificate the following source of financing has been used for funds deployed for the proposed object of the Issue:

| Particulars | Amt (Rs. in Lakh) |
|-------------------|-------------------|
| Internal Accruals | 16.18 |
| Total | 16.18 |

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

As on the date of the Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the 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.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would 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

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 24, 101 and 142 respectively of the Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by our Company in consultation with the LM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10.00 each and the Issue Price is Rs. 38, which is 3.8 times of the face value.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry and the following are our primary competitive strength:

- Strategically located manufacturing unit
- Stringent quality control mechanism ensuring standardized product quality
- Long standing relationship with our customers
- Well Qualified and Experienced Management Team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 101 of the Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 142 of this Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 10 each), as adjusted for change in capital:

As per the Restated Financial Statements;

| Sr. No | Period | Basic & Diluted (Rs.) | Weights |
|--------|--|-----------------------|---------|
| 1. | Financial Year ending March 31, 2022 | 5.26 | 3 |
| 2. | Financial Year ending March 31, 2021 | 2.94 | 2 |
| 3. | Financial Year ending March 31, 2020 | 2.08 | 1 |
| | Weighted Average | 3.96 | |
| | Half year ended September 30, 2022* | 3.84 | |

*Not Annualized

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company as adjusted with the effect of issue of Bonus shares.
- ii. The face value of each Equity Share is Rs.10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- vi. There are no dilutive shares outstanding at the end of the half year ended September 30, 2022 and the Fiscal year ending March 31, 2020, March 31, 2021 and March 31, 2022.

2. Price Earning (P/E) Ratio in relation to the Issue Price of Rs. 38 per share

| Particulars | (P/E) Ratio |
|---|-------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2022. | 7.22 |
| P/E ratio based on the Weighted Average EPS, as restated. | 9.60 |

| Industry P/E Ratio* | |
|--|--------------|
| Lowest (Bihar Sponge Iron Limited) | 10.40 |
| Highest (Lloyds Metals and Energy Limited) | 74.71 |
| Industry Average | 42.56 |

*For the purpose of industry, we have considered those companies which are engaged in the similar line of business as of our Company, and derives major revenue from sponge iron business. The peers have been included for the purpose of broad comparison.

Note:

- The P/E ratio of our Company has been computed by dividing Issue Price with EPS.
- P/E Ratio of the Peer Companies is based on the Consolidated Audited Results of the company for the F.Y. 2021-22 and stock exchange data dated September 30, 2022.

3. Return on Net worth (RoNW)*

| Sr. No | Period | RONW(%) | Weights |
|--------|---|---------------|---------|
| 1. | F.Y. 2021-22 | 24.54% | 3 |
| 2. | F.Y. 2020-21 | 18.20% | 2 |
| 3. | F.Y. 2019-20 | 15.72% | 1 |
| | Weighted Average | 20.96% | |
| | Half year ended September 30, 2022** | 15.24% | |

*Restated Profit after tax/Net Worth

** Not Annualized

Note:

- The RoNW has been computed by dividing net profit after tax with restated Net worth as at the end of the year/period

4. Net Asset Value (NAV) per Equity Share:

| Sr. No. | NAV per Equity Share* | (Amt. in Rs.) |
|---------|--------------------------------------|---------------|
| 1. | As on September 30, 2022 | 25.18 |
| 2. | As on March 31, 2022 | 21.44 |
| 3. | As on March 31, 2021 | 16.18 |
| 4. | NAV per Equity Share after the Issue | 28.57 |
| 5. | Issue Price | 38.00 |

*The above NAV has been calculated after giving the effect of Bonus Shares

Note:

- The NAV per Equity Share has been computed by dividing restated net-worth with weighted average number of equity shares outstanding at the end of the year/period.

6. Comparison of Accounting Ratios with Industry Peers

| Name of Company | Current Market Price (Rs.) | Face Value (Rs.) | EPS (Rs.) | PE | RoNW (%) | Book Value (Rs.) | Total Income (Rs. in crores) |
|-------------------------|----------------------------|------------------|-----------|------|----------|------------------|------------------------------|
| Chaman Metalics Limited | 38 | 10 | 5.26 | 7.22 | 24.54% | 21.44 | 185.46 |
| Peer Group* | | | | | | | |

| | | | | | | | |
|----------------------------------|--------|----|------|-------|--------|--------|--------|
| Bihar Sponge Iron Limited | 9.57 | 10 | 0.92 | 10.40 | - | (8.35) | 94.58 |
| Lloyds Metals And Energy Limited | 207.70 | 1 | 2.78 | 74.71 | 20.37% | 13.00 | 727.25 |

**For the purpose of industry, we have considered those companies which are engaged in the similar line of business as of our Company, and derives major revenue from sponge iron business. The peers have been included for the purpose of broad comparison.*

Notes:

- i. *Current Market Price (CMP) of equity share of peer group companies has been taken as the closing price as on December 23, 2022 at BSE. For our Company, we have taken CMP as the issue price of equity share.*
- ii. *The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Financial Statements for the F.Y. 2021-22*
- iii. *The Figures of peer group companies as at March 31, 2022 has been taken from their Audited Consolidated Results uploaded on the website of the Stock Exchange(s).*
- iv. *NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity share as adjusted with the effect of Bonus Issue.*
- v. *P/E Ratio of peer group companies has been computed based on the closing market price of equity shares on December 23, 2022 at BSE, as divided by the Basic EPS for F.Y. 2021-22.*
- vi. *RoNW has been computed as net profit after tax divided by closing net worth.*
- vii. *The face value of Equity Shares of Our Company is Rs. 10/- per Equity Share and the Issue price is 3.8 times the face value of equity share.*

The Issue Price of ₹ 38 has been determined by our Company in consultation with the LM and will be justified by us in consultation with the LM on the basis of the above information. Investors should read the abovementioned information along with "**Our Business**", "**Risk Factors**" and "**Restated Financial Statements**" on page 101, 24 and 142 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,

**The Board of Directors,
Chaman Metallics Limited
A-26, M.I.D.C. Tadali Growth Centre,
Tadali, Chandrapur – 442406 (Maharashtra)**

Dear Sirs,

Sub: Statement of Tax Benefits ('The Statement') available to Chaman Metallics Limited ("The Company") and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of Chaman Metallics Limited, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST 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 tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and 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 Issue") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

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 Prospectus/ Prospectus or any other issue 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 P Singhania & Co.
Chartered Accountants
ICAI FRN : 002172C**

**Sd/-
Sanjay Singhania
Partner**

M. No. 076961
Place : Raipur
Date: 17.08.2022

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the 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 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.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

Notes:

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. 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 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.

SECTION V – 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. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

Global Scenario

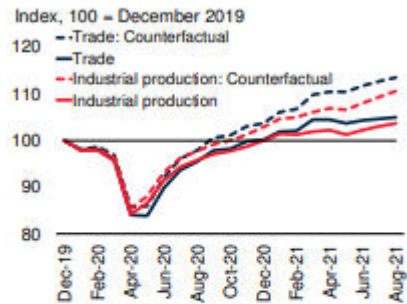
After rebounding to an estimated 5.5 percent in 2021, global growth is expected to decelerate markedly to 4.1 percent in 2022, reflecting continued COVID-19 flare-ups, diminished fiscal support, and lingering supply bottlenecks. The near-term outlook for global growth is somewhat weaker, and for global inflation notably higher, than previously envisioned, owing to pandemic resurgence, higher food and energy prices, and more pernicious supply disruptions. Global growth is projected to soften further to 3.2 percent in 2023, as pent-up demand wanes and supportive macroeconomic policies continue to be unwound. Although output and investment in advanced economies are projected to return to pre-pandemic trends next year, in emerging market and developing economies (EMDEs)—particularly in small states and fragile and conflict-afflicted countries—they will remain markedly below, owing to lower vaccination rates, tighter fiscal and monetary policies, and more persistent scarring from the pandemic. Various downside risks cloud the outlook, including simultaneous Omicron-driven economic disruptions, further supply bottlenecks, a de-anchoring of inflation expectations, financial stress, climate-related disasters, and a weakening of long-term growth drivers. As EMDEs have limited policy space to provide additional support if needed, these downside risks heighten the possibility of a hard landing. This underscores the importance of strengthening global cooperation to foster rapid and equitable vaccine distribution, calibrate health and economic policies, enhance debt sustainability in the poorest countries, and tackle the mounting costs of climate change. EMDE policy makers also face the challenges of heightened inflationary pressures, spillovers from prospective advanced-economy monetary tightening, and constrained fiscal space. Despite budgetary consolidation, debt levels—which are already at record highs in many EMDEs—are likely to rise further owing to sustained revenue weakness. Over the longer term, EMDEs will need to buttress growth by pursuing decisive policy actions, including reforms that mitigate vulnerabilities to commodity shocks, reduce income and gender inequality, and enhance preparedness for health- and climate-related crises.

Growth in advanced economies is forecast to decelerate from 5 percent in 2021 to 3.8 percent in 2022 as the unwinding of pent-up demand only partly cushions a pronounced withdrawal of fiscal policy support. Growth is projected to moderate further in 2023 to 2.3 percent as pent-up demand is exhausted. Despite the slowdown, the projected pace of expansion will be sufficient to return aggregate advanced-economy output to its pre pandemic trend in 2023 and thus complete its cyclical recovery. A solid rebound is projected for investment, based on sustained aggregate demand and broadly favorable financing conditions.

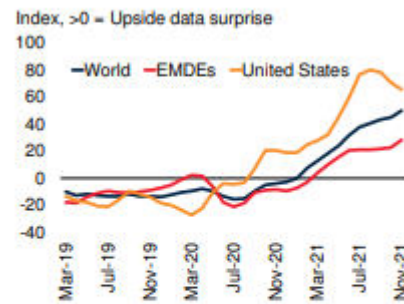
In contrast to advanced economies, most EMDEs are expected to suffer substantial scarring to output from the pandemic, with growth trajectories not strong enough to return investment or output to pre-pandemic trends over the forecast horizon of 2022-23. EMDE growth is projected to slow from 6.3 percent in 2021 to 4.6 percent in 2022, as the ongoing withdrawal of macroeconomic support, together with COVID-19 flare-ups amid the spread of the Omicron variant and continued vaccination obstacles, weigh on the recovery of domestic demand. In one-third of EMDEs, many of which are tourism-reliant economies or small states, output this year is expected to remain lower than in 2019. Growth in China is expected to ease to 5.1 percent this year, reflecting the lingering effects of the pandemic and additional regulatory tightening. Growth in LICs is anticipated to firm to 4.9 percent in 2022—below its historical average, as limited policy space constrains the recovery and as high inflation, including of food prices, and continued conflict in some cases dampen consumption.

Figure 1

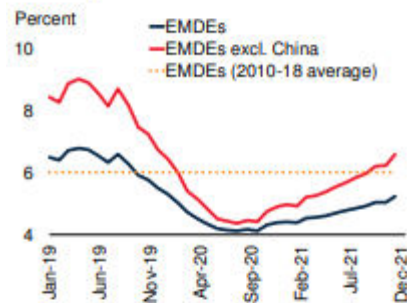
A. Impact of supply bottlenecks on global trade and industrial production



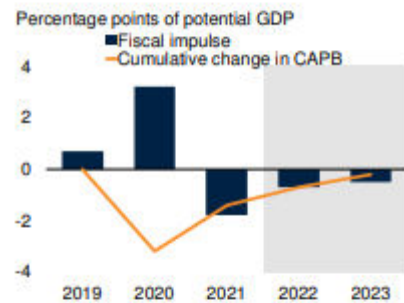
B. Inflation surprises



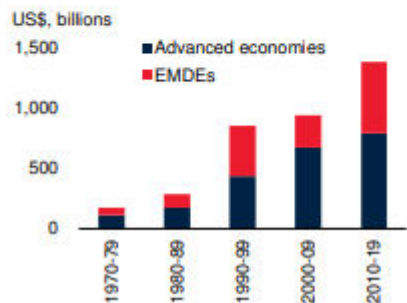
C. Policy rates in EMDEs



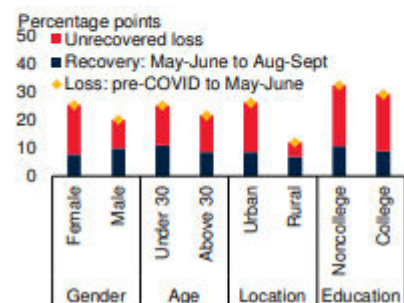
D. Fiscal stance in EMDEs



E. Economic losses from weather and climate disasters



F. Job losses and recoveries between May-June and August-September 2020



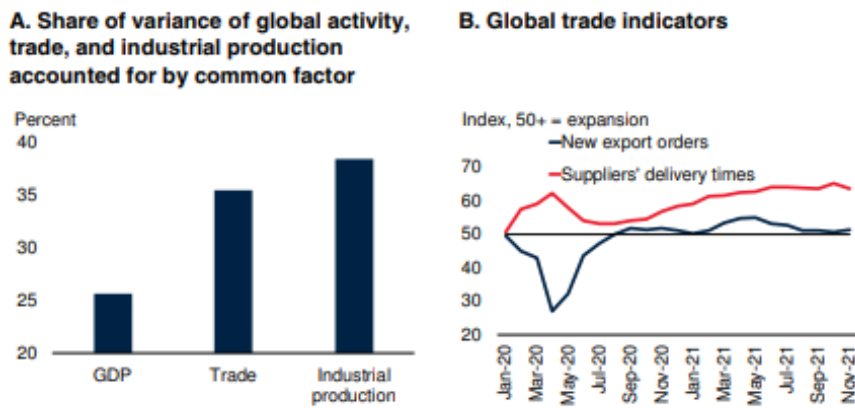
In 2023, EMDE growth is forecast to edge further down to 4.4 percent—notably below the 5.1 percent average of the past decade—as domestic demand stabilizes and commodity prices moderate. Despite the continued recovery, the pandemic is expected to scar EMDE output for a prolonged period, in part through its adverse effects on human and physical capital accumulation. Aggregate output in 2023 is expected to be about 4 percent below its prepandemic trend—and, in fragile and conflict affected EMDEs, over 7 percent below, as they face heightened uncertainty, security challenges, weak investment prospects, and anemic vaccination progress.

The near-term global outlook is a touch below previous forecasts, with a modest downgrade to growth in both advanced economies and EMDEs. Although the forecast for EMDE growth in 2022 is only slightly weaker than previous projections, this masks notable divergences across regions. Downgrades in Europe and Central Asia and Latin America and the Caribbean, due to faster removal of policy support, are accompanied by upgrades in the Middle East and North Africa and Sub-Saharan Africa amid higher-than-expected oil revenues.

In addition to the possibility of new pandemic resurgences, other risks cloud the outlook: persistent supply bottlenecks could further disrupt global activity and trade, and continued inflation surprises could de-anchor inflation expectations. Many EMDEs have tightened monetary policy to contain inflationary pressures. Pandemic-related fiscal support in EMDEs is expected to be largely unwound by 2023. Policy action is needed to tackle the rising costs of climate-related disasters. With vulnerable groups having disproportionately suffered job losses during the pandemic, policy efforts are also needed to reverse increases in gender and income inequality.

Global goods trade has recovered swiftly, driven by a rotation of demand toward trade-intensive manufactured goods, as suggested by the close movement of global trade and industrial production. Incoming data suggest that significant strains on supply chains may be easing slightly.

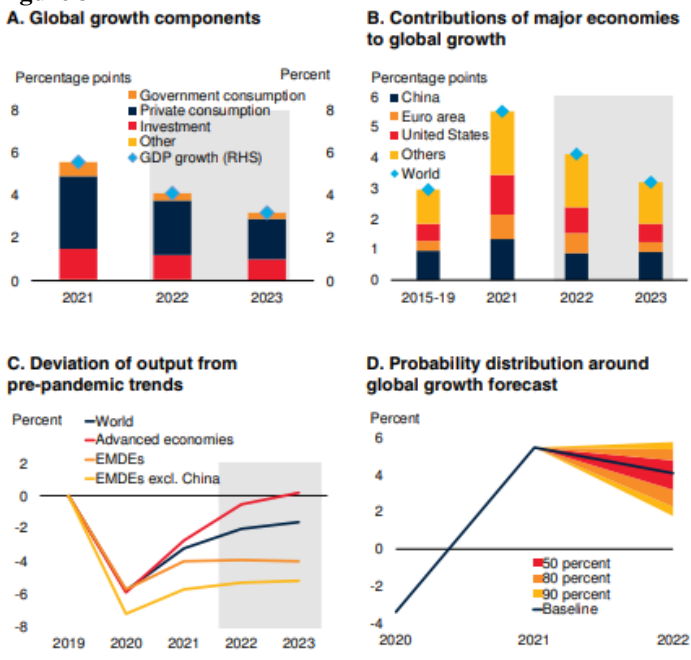
Figure 2



Growth is expected to slow in the United States and the euro area, as pent-up demand is depleted and policy support is gradually withdrawn. Benign financial conditions and sustained consumer demand are expected to support a continuing solid recovery in investment. Supply bottlenecks and tight labor markets have contributed to inflationary pressures, most notably in the United States. China's growth has moderated appreciably, reflecting recurring mobility restrictions and regulatory tightening; however, export growth remains solid.

Global growth is set to moderate as the initial rebound in consumption and investment fades and macroeconomic support is withdrawn. Much of the global slowdown over the forecast horizon is accounted for by major economies. The cyclical recovery in advanced economies is envisioned to outpace that in emerging market and developing economies (EMDEs). The global outlook is clouded by various risks, which are tilted to the downside.

Figure 3



In recent months, inflationary pressures across the world have intensified at a faster-than-anticipated pace. Like advanced economies, emerging market and developing economies (EMDEs) have experienced broad based increases in headline and core inflation since mid-2020. EMDE government bond yields have also increased. Although international bond issuance has remained robust, portfolio flows to EMDEs have declined, reflecting concerns about growth prospects and pandemic risks.

(Source: <https://openknowledge.worldbank.org/bitstream/handle/10986/36519/9781464817601-ch01.pdf>)

INDIA'S STEEL INDUSTRY

India's finished steel consumption is anticipated to increase to 230 MT by 2030-31 from 105.751 MT in FY22. To drive post COVID-19 economic recovery, for the government has planned investments in roads, railways, metro connectivity, industrial parks, industrial

corridors, DFC, transportation of water, oil and gas, transmission towers, affordable housing. All these sectors will drive demand for steel. To achieve steel capacity build-up of 300 MTPA by 2030, India would need to invest US\$ 156.08 billion by 2030-31. The industry is witnessing consolidation of players, which has led to investment by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.

In 2019, India ranked as the second-largest crude steel producer in the world. Between, April, 2021- March 2022, finished steel production stood at 120.007 MT. In April 2022, the production of crude steel in India stood at 10.144 MT. In January 2022, India's finished steel consumption stood at 9.65 MT. The National Steel Policy aims to increase per capita steel consumption to 160 kgs by 2030-31. It is expected that consumption per capita would increase, supported by rapid growth in the industrial sector and rising infrastructure expenditure projects in railways, roads and highways, etc. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31.

In FY22, the production of crude steel and finished steel stood at 120.007 MT and 113.596 MT, respectively. In April 2022, the production of crude steel in India stood at 10.144 MT (million tonnes). In April 2022, finished steel production stood at 9.382 MT. In FY22, SAIL's crude steel production stood at 17.36 MT and saleable steel production was 16.9 MT. SAIL reported 14.13% growth in crude steel production for FY22. The production stood at 17.36 MT. Moreover, capacity increased to 142.29 million tonnes (MT) in FY20, and the figure is anticipated to rise to 300 MT by 2030-31.

(Source: Report: - 'STEEL' India Brand Equity Foundation: -<https://www.ibef.org>)

STEEL INDUSTRY: DOMESTIC SCENARIO

- 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 four years (2018-2021), 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 2021 (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.

Production

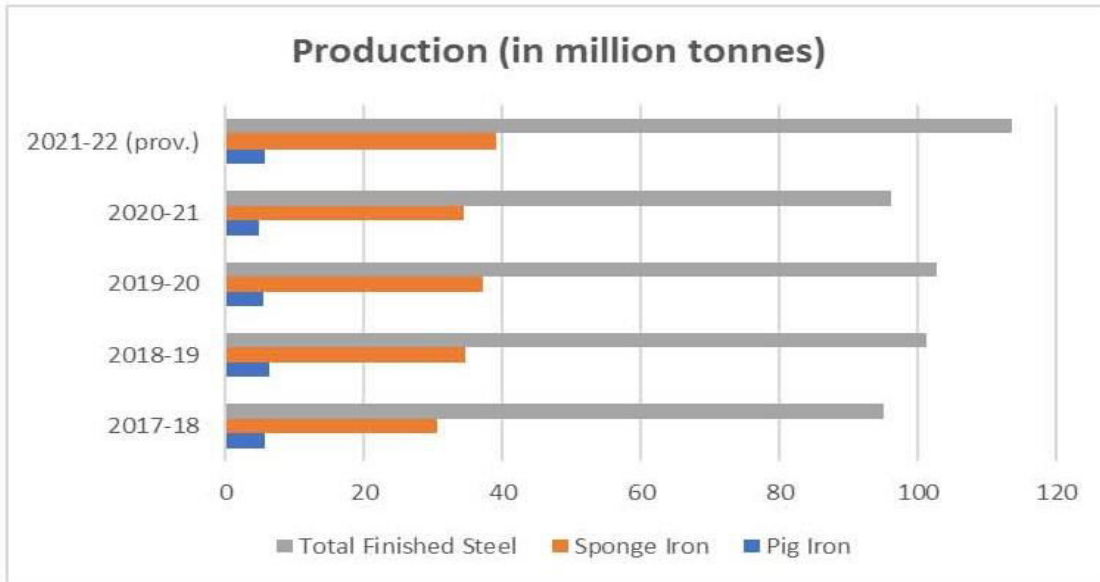
- Steel industry was de-licensed and de-controlled in 1991 & 1992 respectively.
- India was the 2nd largest producer of crude steel in the world in 2021.
- In 2021-22 (provisional), production of total finished steel (alloy/stainless + non alloy) was 113.60 mt, a growth of 18.1% over last year.
- Production of Pig Iron in 2021-22 (provisional) was 5.76 mt, a growth of 18.1% over last year.
- India was the largest producer of Sponge Iron in the world in 2021. The coal-based route accounted for 77% of total Sponge Iron production (39.03 mt) in the country in 2021-22 (provisional).
- Data on production of Pig Iron, Sponge Iron and Total Finished Steel (alloy/stainless + nonalloy) are given below for last five years:

| Indian steel industry: Production (in million tonnes) | | | | | |
|---|---------|---------|---------|---------|----------|
| Category | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22* |
| Pig Iron | 5.73 | 6.41 | 5.42 | 4.88 | 5.76 |
| Sponge Iron | 30.51 | 34.71 | 37.10 | 34.38 | 39.03 |
| Total Finished Steel | 95.01 | 101.29 | 102.62 | 96.20 | 113.60 |

Source: Joint Plant Committee; *provisional

JPC: Updated in May 2022

Graphical representation of above table is given below:-

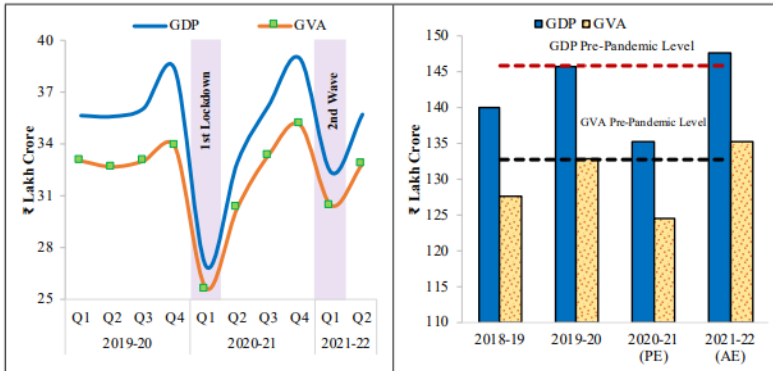


Indian Economy Overview

Two years into the COVID-19 pandemic, the global economy continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply-chain disruptions, and a return of inflation in both advanced and emerging economies. Moreover, the likely withdrawal of liquidity by major central banks over the next year may also make global capital flows more volatile.

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

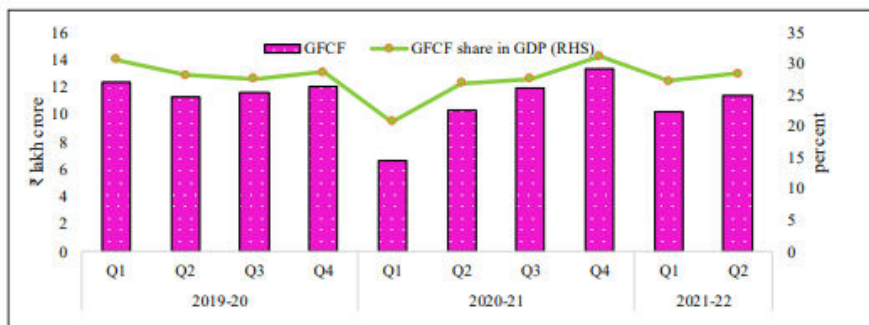
Figure 4: Gross Domestic Output (Constant Prices, Base Year:2011-12)



Source: National Accounts Statistics (NSO), MoSPI

Investment, as measured by Gross Fixed Capital Formation (GFCF) is expected to see strong growth of 15 per cent in 2021-22 and achieve full recovery of pre-pandemic level. Government’s policy thrust on quickening virtuous cycle of growth via capex and infrastructure spending has increased capital formation in the economy lifting the investment to GDP ratio to about 29.6 per cent in 2021-22, the highest in seven years.

Figure 5 Gross Fixed Capital Formation (GFCF)



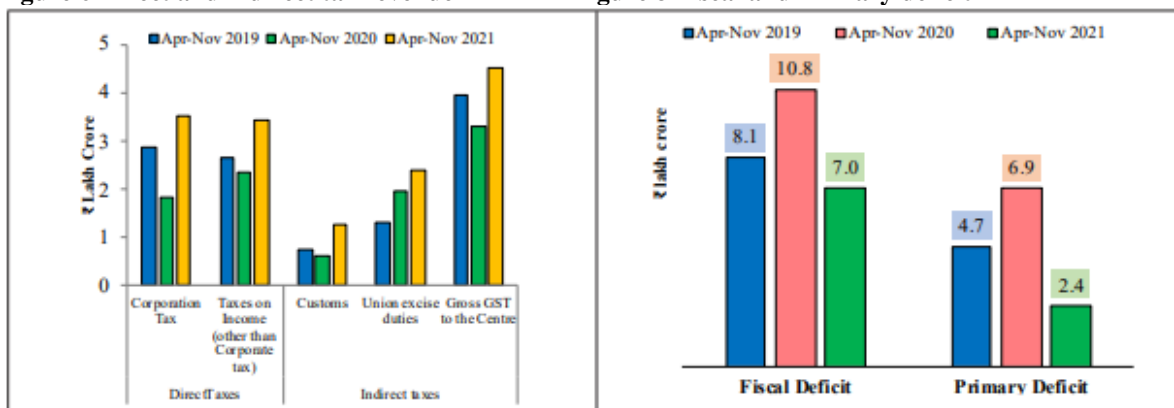
Source: NSO, MoSPI

Note: Absolute figures at constant (2011-12) prices, shares as per current prices

The fiscal support given to the economy as well as the health response caused the fiscal deficit and government debt to rise in 2020-21. However, there has been a strong rebound in government revenues in 2021-22 so far. The revenue receipts of the central government during April- November 2021 have gone up by 67.2 per cent (YoY), as against an estimated growth of 9.6 per cent in the 2021-22 Budget Estimates. The tax collections have been buoyant for both direct and indirect taxes. The gross monthly GST collections have crossed ₹ 1 lakh crore consistently since July 2021

Figure 6 Direct and indirect tax revenue

Figure 8 Fiscal and Primary deficit



Source: Office of CGA

Source: Office of CGA

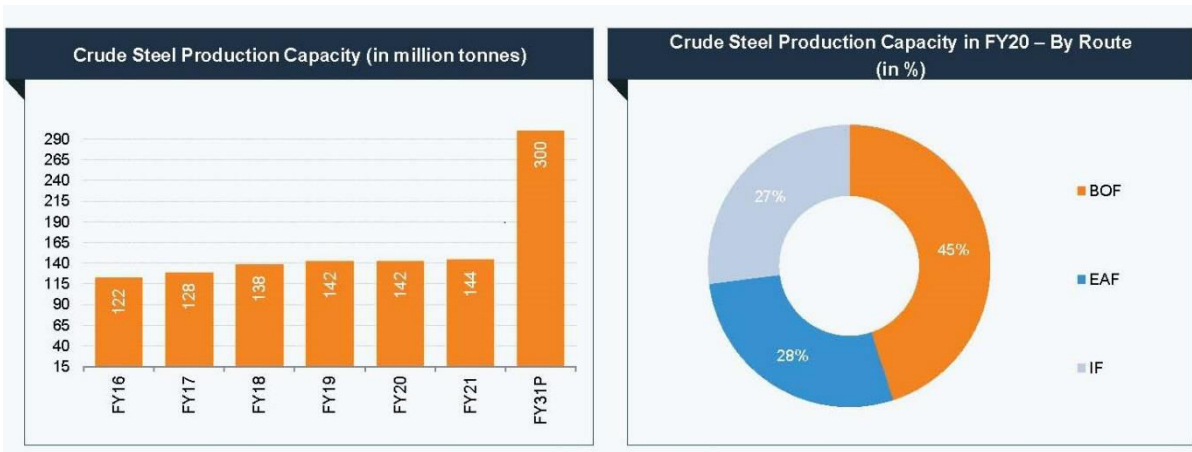
Inflation has reappeared as a global issue in both advanced and emerging economies (Figure 33). The surge in energy prices, non-food commodities, input prices, disruption of global supply chains, and rising freight costs stoked global inflation during the year. In India, Consumer Price Index (CPI) inflation moderated to 5.2 per cent in 2021-22 (April-December) from 6.6 per cent in the corresponding period of 2020-21. It was 5.6 per cent (YoY) in December 2021, which is within the targeted tolerance band (Figure 34). The decline in retail inflation in 2021-22 was led by easing of food inflation (details in Chapter 5). Wholesale Price Inflation (WPI), however, has been running in double-digits. The inflation in 'fuel and power' group of WPI was above 20 per cent reflecting higher international petroleum prices. Although the high WPI inflation is partly due to base effects that will even out, India does need to be wary of imported inflation, especially from elevated global energy prices.

Steel Production Capacity Has Expanded Rapidly

- India's steel production capacity has expanded rapidly over the past few years, growing at a CAGR of 3.93% from 122 MT in FY16 to 143.9 MT in FY21. The National Steel Policy 2017 has envisaged achieving up to 300 MT of production capacity by 2030-31.
- By FY22, India's total steel capacity is likely to increase to 150 MT annually.
- BF-BOF route is expected to contribute 65% of the capacity, while the remaining 35% is expected to come from EAF & IF routes.
- Expansion of production capacity to 300 MT will translate into additional investment of Rs. 10 lakh crore (US\$ 156.08 billion) by 2030-31.
- Steel companies are looking to restart expansion projects on the back of surging steel process with a capacity addition of 29 MT.

Note: P - Projection, BF-BOF - Blast Furnace-Blast Oxygen Furnace, EAF - Electric Arc Furnace, IF - Induction Furnace, MT- million tonnes.

Source: Joint Plant Committee, Ministry of Steel.



Steel Production in India Has Been Growing at a Fast Pace

- In FY22, production of finished steel stood at 133.596 MT.
- In FY22, production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively.
- To support MSMEs, the government has reduced customs duty on stainless steel to 7.5%.
- The Union Budget 2021-22 has a 34.5% YoY increase in allocation for capex at 5.54 lakh crore (US\$ 74.60 billion). The budget's focus is on creating infrastructure and manufacturing to propel the economy. In addition, enhanced outlays for key sectors such as defence services, railways, and roads, transport and highways would provide impetus to steel consumption.

Notes: FY - Indian Financial Year (April - March), MT - Million Tonnes

Source: Joint Plant Committee, News Articles, Ministry of Steel, World Steel Association, CARE Ratings.



(Source: Report: - 'STEEL' India Brand Equity Foundation: -<https://www.ibef.org>)

Investments

Some of the major investments in the India steel industry are as follows:

- In October 2021, JSW Steel invested Rs. 150 billion (US\$ 19.9 billion) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~Rs. 1 trillion (US\$ 13.34 billion), over 10 years.
- In August 2021, Tata Steel announced to invest Rs. 8,000 crore (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest Rs. 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest Rs. 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.

- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.
Between April 2000-December 2021, Indian metallurgical industries attracted FDIs of US\$ 16.1 billion.
- In the next three years from June 2021, JSW Steel is planning to invest Rs. 47,457 crore (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha.

Strategic Alliances

- In October 2021, Tata Steel and Rail Vikas Nigam Limited (RVNL), signed an MoU to implement infrastructure projects.
- In August 2021, Steel Strips Wheels Limited signed an agreement with Tata Steel Long Products to source round bars of various grades for three years for automotive customers.
- In July 2021, Tata Steel collaborated with start-ups in India to implement electric vehicles (EVs) for steel transportation.
- In July 2021, Jindal Stainless (JSL) signed a memorandum of understanding (MoU) with Tata Steel Mining (TSML) for mining operations of common boundaries in Odisha.

Entry of International Companies

- Attracted by the growth potential of the Indian steel industry, several global steel players have been planning to enter the market.
- In February 2020, GFG Alliance acquired AdhunikMetaliks and its arm, Zion Steel, for Rs. 425 crore (US\$ 60.81 million), marking its entry into the Indian steel market.
- CarVal Investors, the investment arm of US-based agri group, Cargill, has offered around Rs. 2,000 crore (US\$ 277.20 million) along with Asset Reconstruction Company (India) Ltd. for the purchase of Uttam Value Steels and Uttam Galva Metallics.

Increased emphasis on technological innovations

- In the wake of COVID-19 pandemic, Tata Steel has geo-fenced its plant premises to track the movement of employees to track and manage any COVID-19 cases amongst its employees.
- Companies are attempting coal gasification and gas-based direct-reduced iron (DRI) production. Other alternative technologies such as Hismelt, Finex and ITmk3 being adopted to produce hot metal.
- Provisional Worldsteel report indicates that the global DRI output stood at 15.31 MT from January to February 2021, up 0.9% over same period last year, driven by India (6.4 MT, 42% share) at the number one spot.
- The Ministry of Steel has issued necessary direction to the steel companies to frame a strategy for taking up more R&D projects by spending at least 1% of their sales turnover to facilitate technological innovations in the steel sector.
- The Ministry has established a task force to identify the need for technology development and R&D.
- The Ministry has adopted energy efficiency improvement projects for mills operating with obsolete technologies.
- In January 2021, the Ministry of Steel, signed a Memorandum of Cooperation with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.
- In February 2021, Tata Steel BSL collaborated with FarEye, a software logistics firm, to improve its digital transformation process.

(Source: Report: - 'STEEL' India Brand Equity Foundation: -<https://www.ibef.org>)

Demand – Availability

- Industry dynamics including demand – availability of iron and steel in the country are largely determined by market forces and gaps in demand-availability are met mostly through imports.
- Interface with consumers exists by way of meeting of the Steel Consumers' Council, which is conducted on regular basis.
- Interface helps in redressing availability problems, complaints related to quality.

JPC: Updated in May 2022.

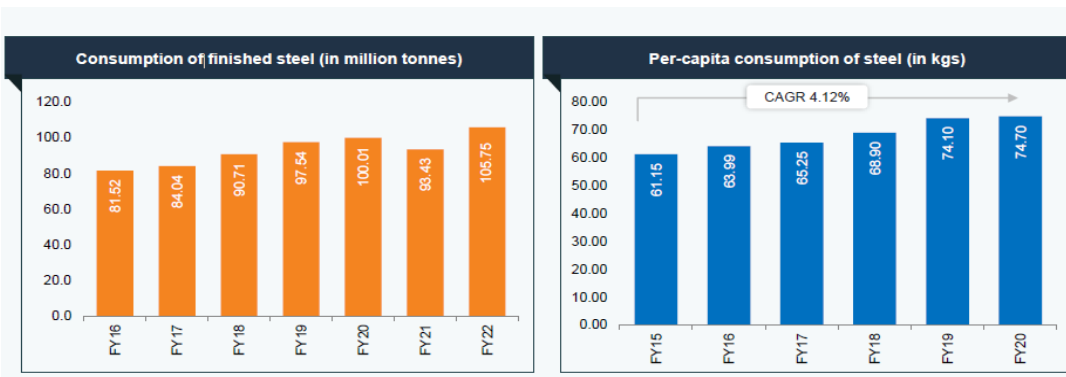
Demand Has Outpaced Supply over the Last Five Years

- Between April 2021-January 2022, the consumption of finished steel stood at 86.3 MT.
- In January 2022, India's finished steel consumption stood at 9.65 MT. The National Steel Policy aims to increase per capita steel consumption to 160 kgs by 2030-31.
- It is expected that consumption per capita would increase, supported by rapid growth in the industrial sector and rising infra expenditure projects in railways, roads and highways, etc.

- The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31.

*Note: MT - Million Tonnes, kg – kilograms, *FY22: From April 2021 to October 2021.*

Source: JPC India Steel, Ministry of Steel, World Steel Association



Steel Prices

- Price regulation of iron & steel was abolished on 16.1.1992. Since then steel prices are determined by the interplay of market forces. Domestic steel prices are influenced by trends in raw material prices, demand – supply conditions in the market, international price trends among others.
- As a facilitator, the Government monitors the steel market conditions and adopts fiscal and other policy measures based on its assessment.

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

Growth Opportunities

Demand for steel from different sectors will drive this industry. Consumption of steel by India’s infrastructure segment is expected to increase to 11% by FY26. Steel demand from the automotive sector is expected to increase due to rise in the demand for automobiles. The new Vehicle Scrapage policy will help in reducing steel prices as the policy enables recycling of materials used in old vehicles. On the healthcare front, key steel producers are now exceeding their capacities to produce oxygen cylinders for COVID patients. The Smart Cities’ Affordable Housing and industrial corridors are a few government initiatives to boost the steel industry. About 158 lakh metric tonnes (MT) of steel are likely to be consumed in the construction of houses sanctioned under the Pradhan Mantri Awas Yojana (Urban).

(Source: Report: - ‘STEEL’ India Brand Equity Foundation: -<https://www.ibef.org>)

Growth of Iron and Steel in Private Sector

The New Industrial Policy Regime

The New Industrial policy opened up the Indian iron and steel industry for private investment by (a) removing it from the list of industries reserved for public sector and (b) exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

The Growth Profile

- Steel:** The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state-of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh Greenfield projects in different states of the country. Crude steel capacity was 154.23 mt in 2021-22 (provisional), and India, which was the 2nd largest producer of crude steel in the world in 2021, as per rankings released by the World Steel Association, has to its credit, the capability to produce a variety of grades and that too, of international quality standards.

- (ii) **Pig Iron:** India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 89% of total production of pig iron (5.76 mt) in the country in 2021-22 (provisional).
- (iii) **Sponge Iron:** India, world's largest producer of sponge iron, has a host of coal-based units located in the mineral-rich states of the country. Over the years, the coal-based route has emerged as a key contributor and accounted for 77% of total Sponge Iron production in the country during 2021-22 (provisional). Production of Sponge Iron making too has increased over the years and stood at 39.03 mt during 2021-22 (provisional).

JPC: Updated in May 2022

As per the data released by World Steel Association (WSA), India is the only country among top 10 steel producing nations of the world, which has registered growth in steel production during January to March 2022, as compared to corresponding period last year. Further WSA data also indicate that the global production of crude steel decreased by 5.8% in March'22 over March'21 due mainly to a decline in production in China and Ukraine. In addition, few other major steel producing countries viz., Japan, Russia, South Korea, Germany, Turkey, Italy, Iran and USA also reported decline in production during, the month over CPLY. The major producing countries (with production of 1 million tonne for the month) which contributed to the enhanced global production in March'22 over March'21 include India, Brazil and Taiwan. As regard the share of major producing countries in the global production of crude steel (Graph below), it is seen that due to decline in production in China and uptick/less steep decline in production in some of other major producing countries, share of China, Germany and Turkey declined while that of India, Russia, and USA, increased during this period.

Source: Ministry of Steel Circular No. S-24013/1/2020-EA-RFD dtd. 30.05.2022.

Government Initiatives

In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme. Export duty of 30% has been levied on iron ore* (lumps and fines) to ensure supply to the domestic steel industry. Under the Union Budget 2022-23, the government allocated Rs. 47 crore (US\$ 6.2 million) to the Ministry of Steel.

To drive post COVID-19 economic recovery, for the government has planned investments in roads, railways, metro connectivity, industrial parks, industrial corridors, DFC, transportation of water, oil and gas, transmission towers, affordable housing. All these sectors will drive demand for steel.

The Government released the National Steel Policy 2017 and laid down a broad strategy for encouraging long term growth for the Indian steel industry by 2030-31. Government has also promoted policy which provides a minimum value addition of 15% in notified steel products covered under preferential procurement.

Various policy support aiding growth in the Steel Sector:

National Steel Policy 2017

New National Steel Policy was formulated by the Ministry of Steel in 2016 to retain the objectives included in National Steel Policy (NSP) 2005. It aimed at covering broader aspects of steel sector across the country including environment and facilitation of new steel projects, growth of steel demand in India and raw materials. Under the policy, the central Government stated that all the Government tenders will give preference to domestically manufactured steel and iron products. Moreover, Indian steel makers importing intermediate products or raw materials can claim benefits of domestic procurement provision by adding minimum of 15% value to the product. The National steel policy, 2017 aspired to achieve 300MT of steelmaking capacity by 2030-31. This would translate into additional investments of Rs. 10 lakh crore (US\$ 156.08 billion). Further, it aimed to increase per capita steel consumption to 160 kgs by 2030-31.

Steel Clusters

In September 2020, the Ministry of Steel prepared a draft framework policy for development of steel clusters in the country. The draft framework policy is aimed at facilitating and establishing Greenfield steel clusters, along with development and expansion of the existing steel clusters.

R&D and innovation

The scheme for the promotion of R&D in iron and steel sector has been continued under the 14th Finance Commission (FY20). Under the scheme, 26 projects have been approved with financial assistance of Rs. 161 crore (US\$ 24.98 million) from the Ministry of Steel. Ministry of Steel is setting up industry driven institutional mechanism - Steel Research & Technology Mission of India (SRTMI) -

with an initial corpus of US\$ 30.89 million. The institute will facilitate joint collaborative research projects in the sector. In October 2021, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steel making). In September 2021, National Mineral Development Corporation Ltd. (NMDC) R&D Centre signed a MoU with CSIR-IMMT for joint research and development projects.

FDI 100% - FDI through the automatic route is allowed in the Indian steel sector.

Rise in Export Duty

The Government hiked the export duty on iron ore to 50% ad valorem on all varieties of iron ore (except pellets).

Duty Drawback Benefits

In October 2020, Directorate General of Foreign Trade announced that steel manufacturers in the country can avail duty drawback benefits on steel supplied through their service centres, distributors, dealers and stock yards.

Push Due to Make in India Initiative

Going forward, the Make in India initiative and policy decisions taken under it are expected to augment the country's steel production capacity and resolve issues related to the mining industry.

Reduction in custom duty on plants and equipment

The Government has reduced the basic custom duty on the plants and equipment required for initial set up or expansion of iron ore pellets plants and iron ore beneficiation plants from 7.5/5% to 2.5%. Customs duty on imported flat-rolled stainless-steel products has been increased to 15% from 7.5%. Basic customs duty on steel grade dolomite and steel grade limestone is being reduced from 5% to 2.5%. Basic customs duty is being reduced from 10% to 5% on forged steel rings used in the manufacture of bearings of wind-operated electricity generators.

Production-linked Incentive (PLI) Scheme

In November 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities and exports and promote the 'Atmanirbhar Bharat' initiative. India is a net exporter of finished steel and has the potential to become a frontrunner in certain grades of steel. PLI scheme has been approved for specialty steel with a financial outlay of Rs. 6,322 crore (US\$ 858.50 million) over a five-year period. July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for specialty steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US\$ 5.37 billion) and expand specialty steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.

Steel sector boosting in Eastern India

In June 2021, Minister of Steel & Petroleum and Natural Gas, Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone, driven by Industry 4.0. The Ministry of Steel plans to invest US\$ 70 billion in the eastern region of the country.

(Source: Report: - 'STEEL' India Brand Equity Foundation: -<https://www.ibef.org>)

Various Opportunities

The Government of India has allocated Rs. 111 lakh crore (US\$1.4 trillion) under the National Infrastructure Pipeline (NIP) for FY2019-25. Sectors such as energy (24%), roads (18%), urban (17%) and railways (12%) account for ~71% of the projected infrastructure investments in India.

Automotive: The automotive industry is forecast to reach US\$ 260- 300 billion by 2026. The industry accounts for around 10% of the demand for steel in India. With increasing capacity addition in the automotive industry, demand for steel from the sector is expected to be robust.

Capital Goods: The capital goods sector accounts for 11% of the total steel consumption and is expected to increase 14-15% by 2025-26. It has the potential to increase in tonnage and market share. Corporate India's capex is expected to grow and generate greater demand for steel.

Infrastructure: The infrastructure sector accounts for 9% of steel consumption and is expected to increase to 11% by 2025-26. Due to rising investment in infrastructure the demand for steel products would increase in the years ahead. 70% of the country's infrastructure, estimated at Rs. 6 lakh crore (US\$ 89.50 billion), is yet to come up. Thus, a significant growth potential for steel sector is present. For various infrastructure sectors, including real estate and power, the Ministry of Finance planning to set up a stress fund.

Airports: More and more modern and private airports are expected to be set up. In FY19, passenger traffic at Indian airports stood at 344.69 million. The number of operational airports stood at 103 as on 31 March 2019. Development of tier II city airports will sustain consumption growth. Estimated steel consumption in constructing airports is likely to grow more than 20% over the next few years.

Railways: The Dedicated Rail Freight Corridor (DRFC) network expansion would be enhanced in the future. Introduction of high-speed bullet trains and metro trains will increase steel usage. Gauge conversion, setting up of new lines and electrification would drive demand for steel. The Indian Railways is planning to procure over 11 lakh tons of steel from the Steel Authority of India Limited (SAIL) for track renewal and laying new lines across the country.

Oil and Gas: India's primary energy consumption of oil and gas is expected to increase to 10 mbpd and 14 bcfd, respectively, by 2040. This would lead to an increase in demand of steel tubes and pipes, providing a lucrative opportunity for the steel industry.

Power: The Government has envisaged capacity addition of 58,384 MW from conventional sources between 2017-22. Also, the Government is targeting to achieve 175 GW of renewable power generation capacity by 2022. This will lead to enhancement in both transmission and distribution capabilities, thereby raising steel demand from the sector.

Rural India: Rural India is expected to reach per capita consumption of 12-14 kgs of finished steel by 2020. Policies like Pradhan Mantri Awa Yojana and Pradhan Mantri Gram Sadak Yojana are driving growing demand for steel in rural India. In FY19, per capita consumption of steel in rural India was estimated to be between 10-15 kgs.

(Source: Report: - 'STEEL' India Brand Equity Foundation: -<https://www.ibef.org>).

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” 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. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means Chaman Metallics Limited.

All financial information included herein is based on our “Financial information of the Company” included on page 142 of this Prospectus.

Overview

Incorporated in 2003, we are primarily engaged in the business of manufacturing and selling of Direct Reduced Iron (i.e. sponge iron). Sponge iron is mainly used as a raw material for making steel in electric arc furnaces and induction furnaces. Through our sponge iron business, we cater to the metallic requirements of steel producers in selected geographies. Our Company was under the control of MSP Group from 2006 to 2019. In 2019, the Company was acquired by Raipur-based GR Group which is in steel business since 1996. Our business operations are organized synergistically, and we derive benefits after our acquisition by GR Group, which operates in various segment of steel i.e. Ferro alloys, Sponge Iron, MS Ingots and re-rolled products.

Our manufacturing unit is based at Chandrapur, Maharashtra and is spread across an area of around 63 acres of land. At our sponge iron manufacturing facility, we operate two Rotary kilns having an aggregate annual installed capacity of 72,000 MT (2 X 100 MTPD) for production of sponge iron as at September 30, 2022. The strategic location of our sponge iron manufacturing facility aids our access to high-quality iron ore, iron ore pellets, coal and dolomite which are the major raw materials for sponge iron manufacturing. During the production of sponge iron, a solid waste is produced as a by-product called dolochar. For the Fiscal 2022, our revenue from operations stood at Rs. 18,486.79 lakhs of which revenue from sponge iron, dolochar and other items (iron ore fines, dust and waste scrap) contributed 97.94%, 0.99% and 1.06% respectively.

We have been granted ISO 9001:2015 for quality management systems, ISO 14001:2015 for environmental management systems and ISO 45001:2018 for occupational health and safety management systems. Our manufacturing facility is equipped with requisite technology and infrastructure including machineries, testing laboratory other handling equipments to facilitate smooth manufacturing process. The key raw materials to produce sponge iron are iron ore/iron ore pellets, coal and dolomite. Sponge iron manufacturing is highly sensitive to raw material characteristics that would help obtain the rated capacity and the desired product quality. To ascertain the suitability of our raw materials in a rotary kiln, we have in-house testing laboratory that is responsible for conducting tests on raw materials i.e .coal, iron ore and dolomite to check their chemical and physical properties, so as to ensure that the product conform with the pre-determined standards.

We are a customer centric Company, constantly striving to create value for our customers through quality products offered and committed deliveries. Currently, we sell our products primarily in the state of Maharashtra, Odisha and Chhattisgarh. Some of our customers include Rajesh Steel & Wire Industries (New), R.K. Steel Sales, SMW Ispat Pvt Ltd, Gajkesari Steels & Alloys Pvt. Ltd etc.

Our individual promoters, Chetan Kumar Agrawal and Keshav Kumar Agrawal have considerable experience in the field of steel industry. In the last three financial years, our focus on operational efficiencies has contributed to our track record of robust financial performance and profitability. The details of our financial performance as per the restated financial statements for the half year ended September 30, 2022 and the Fiscals ended March 31, 2022, 2021 and 2020, are set forth below:

(Rs. in lacs)

| Sr. No. | Particulars | As at and for the Period/Year ended | | | |
|---------|-------------------------|-------------------------------------|------------|------------|------------|
| | | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| 1 | Revenue from operations | 11,145.56 | 18,486.79 | 14,056.08 | 5,801.36 |
| 2 | EBITDA | 1027.47 | 1,549.83 | 1,071.33 | (1.55) |
| 3 | Profit before tax | 893.49 | 1,255.10 | 694.76 | (181.42) |
| 4 | Profit after tax | 681.74 | 934.65 | 523.07 | 369.46 |
| 5 | Return on Net Worth (%) | 15.24% | 24.54% | 18.20% | 15.72% |

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

Strategically located manufacturing unit

We operate from our manufacturing facility located at Chandrapur, Maharashtra having an installed capacity of 72,000 MT for production of sponge iron. It is strategically located and is well connected with road for transportation of raw materials & finished goods. The iron ore/iron ore pellets, coal and dolomite are some of the key raw materials required for our manufacturing operations, and their continued and sustained availability at competitive prices is essential to the growth of our business. These raw materials i.e. coal, iron ore and dolomite are available in abundant in the local mines of Chandrapur which are located at nearby distance from our manufacturing facility. The close proximity with raw materials brings cost efficiencies in procurement of raw material and also reduce logistic cost which helps us to achieve economies of scale.

Stringent quality control mechanism ensuring standardized product quality

The quality of raw materials and their relative proportions determine the quality of the final product and the efficiency of our rotary kilns and blast furnaces. Thus, the quality of raw materials is of paramount importance to us in our sponge iron production process. To verify the same, we have established in-house testing laboratory at our sponge iron manufacturing facility, which is equipped with precision equipments, that is responsible for conducting tests and checks in respect of the quality of our key raw materials. We employ an extensive and stringent quality control mechanism at each stage of the manufacturing including check of raw materials, which are required to ensure that our finished product conforms with the exact requirement of our customers and successfully passes all validations and quality checks.

We strive to produce sponge iron that would constitute high metallic iron content along with consistent chemical and physical characteristics, as per the requirements of our customers. The end product is screened in size fractions of lump and fines. Additionally, we undertake bagging in quality bags so as to standardize the quantity in each bag as well as avoid to spillage or tearing during handling and transit. We move our final products through trucks so as to preserve quality and reduce and/or prevent re-oxidation. Further, as a certification of the quality assurance, our Company has received ISO 9001:2015 for quality management systems, ISO 14001:2015 for environmental management systems and ISO 45001:2018 for occupational health and safety management systems. We believe that our focus on quality of products has enabled us to sustain and grow our business model to benefit our customers.

Long standing relationship with our customers

Our sponge iron product generally caters to customers who primarily are manufacturers of steel in state of Maharashtra, Chhattisgarh and Madhya Pradesh. We generally do not enter into long term agreements with our customers, however, we have developed long-standing relationships with these customers. Maintaining strong relationships with our key customers is essential to our business strategy and to the growth of our business. Owing to our strong customer relationships and service, we have been able to retain a number of our customers for a long period of time ensuring uninterrupted supplies of our products to them. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

Well Qualified and Experienced Management Team

We have an experienced and qualified management team led by our Promoters, Keshav Kumar Agrawal and Chetan Kumar Agrawal who has considerable work experience in the steel industry. We believe that our Management team's experience and their understanding of the steel industry enable us to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. We are also supported with adequate technical and commercial team having relevant experience of the industry that along with the experience of our promoter help us to achieve the organizational goals. Thus, we are well placed to capitalize the knowledge and experience of our management team which has been instrumental in growth of our Company. Our management team enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively respond to changes in the market conditions.

Our Business Strategies

We intend to pursue the following principal strategies to leverage our competitive strengths and grow our business:

Continue to invest in our manufacturing capabilities

We intend to undertake the expansion of our existing manufacturing facility at Chandrapur by installing the below mentioned plants:-

| Expansion* | Incremental Capacity (p.a.) |
|---|------------------------------------|
| Sponge Iron Plant | 1,15,500 TPA |
| Induction Furnace Plant (Steel Melting Unit for Silico Manganese and Ferro Silicon) | 1,98,000 TPA |
| Arc Furnace Plant (Cast Iron unit for Billets) | 39,200 TPA |
| Captive Power Plant | 30 MW |

**We have been granted consent to establish dated September 07, 2022 for the aforesaid expansion from Maharashtra Pollution Control Board.*

In order to capitalize on the future demand, we intend to undertake expansion of our existing manufacturing facility by setting up Sponge Iron Plant, Induction Furnace Plant (Steel Melting Unit for Silico Manganese and Ferro Silicon), Arc Furnace Plant (Cast Iron unit for Billets) and Captive Power Plant at our existing unit. With installation of aforementioned plants, our production capacity for sponge iron will increase from the existing capacity of 72,000 MTPA to the extent of 1,87,500 MTPA and will also led to vertical integration through manufacturing of Silico Manganese, Ferro Silicon and Billets. The total project cost for such expansion is estimated to be Rs. 296 crores. In order to finance the said project, we have obtained a sanction letter for a term loan of Rs. 180 crores from State Bank of India, which is under our consideration. Further, the remaining cost is expected to be funded from promoter's contribution and/or any other source as may deem fit by the Board of Directors. Thus, going forward, we intend to continue making investments in capacity expansions and modernization of our equipment and facilities. We also seek to expand our capabilities in a cost efficient manner, by actively pursuing joint venture opportunities, acquisitions and strategic alliances with entities that are complementary to our business. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

Continue to strive for cost efficiency

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

Continue to strengthen our relationship with the customers

We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. Our customers comprise of steel manufacturers, some of whom have been with us for the last five Fiscals. We believe that our customer retention levels reflect our ability to provide high quality products, and our consistent customer servicing standards have enabled us to increase our customer dependence on us. We strive to clearly understand our customers' business needs and provide products that maximize their returns. We anticipate that our product offerings and the quality thereof will help us in increasing our share of business amongst our existing customers as well as increase our customer base.

Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the company from both customer point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers.

Location presence

| | |
|---|---|
| Registered Office & Manufacturing Unit | A-26, M.I.D.C, Tadali Growth Centre, Chandrapur, Maharashtra 442406 |
| Corporate Office | 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001 |

Our Products

Sponge Iron is the key raw material required to manufacture steel in both induction as well as electric arc furnace. The standard chemical and physical composition of sponge iron is given hereunder:

| Chemical Composition | Percentage |
|-----------------------------|-------------------|
| Fe. Total | 90-92 |
| Fe. Metallic | 81-84 |
| Metallisation | 88-90 |
| Sulphur | 0.03 max. |
| Phosphorus | 0.05 max. |
| Carbon | 0.10 (approx.) |
| Gangue content | 5 (approx.) |
| | |
| Physical | Size |
| Size Lump | + 3 mm |
| Fines | 0-3 mm |
| Bulk Density | 1.9-2.2 MT / m3 |

Dolochar – During the production of sponge iron, a solid waste is produced as a by-product called dolochar, which is used in manufacturing steel billets, ingots and re-rolled products.

The following table sets out the bifurcation of our revenue from operations for the fiscals as indicated:

(Rs. in lakhs)

| Particulars | Half Year ended September 30, 2022 | % of Revenue | 2021-22 | % of Revenue | 2020-21 | % of Revenue | 2019-20 | % of Revenue |
|--------------------------------|---|---------------------|------------------|---------------------|------------------|---------------------|-----------------|---------------------|
| Primary Product | | | | | | | | |
| - Sponge Iron | 10,952.14 | 98.26% | 18,106.59 | 97.94% | 13,836.69 | 98.44% | 5,755.95 | 99.22% |
| By-Products | | | | | | | | |
| - Dolochar | 147.25 | 1.32% | 183.73 | 0.99% | 58.08 | 0.41% | 38.43 | 0.66% |
| - Iron Ore Fines | 41.82 | 0.38% | 175.97 | 0.95% | 152.61 | 1.09% | - | - |
| - Dust | 2.78 | 0.02% | 18.83 | 0.10% | 3.93 | 0.03% | 6.98 | 0.12% |
| Others | | | | | | | | |
| - Waste & Scrap | 1.56 | 0.01% | 1.66 | 0.01% | 4.78 | 0.03% | - | - |
| Revenue from Operations | 11,145.56 | 100% | 18,486.79 | 100% | 14,056.08 | 100% | 5,801.36 | 100% |

PRODUCTION PROCESS

Set forth below is a brief description of the process carried out in our facility to produce sponge iron:

Iron ore/Iron ore pellets, coal and dolomite are the prime raw materials for the production of sponge iron. These are charged into a rotary kiln in requisite proportion along with a proportion of dolomite. The coal serves as a fuel as well as a reductant for providing heat to maintain the requisite temperature inside the rotary kiln at approx. 1100 degree Celsius. The reduction process occurs in solid state in rotary kilns. The crucial factor in this reduction process is the controlled combustion of coal and its conversion to carbon monoxide to remove oxygen from the iron ore. The overall process of direct reduction takes about 10 to 12 hours inside the kiln. During this time, iron ore is optimally reduced and the hot reduced sponge iron along with semi-burnt coal/ Dolochar is discharged to a rotary cooler for indirect cooling to a temperature of between 100°C to 200°C. Sponge iron being magnetic in nature, the discharge from cooler consisting of sponge iron, Dolochar and other contaminations are routed through electromagnetic separators, to separate other impurities (i.e. non-magnetics) from sponge iron. The product is then screened in size fractions of lump (greater than 3 mm) and fines (lesser than 3 mm). Separate bins are installed to preserve its quality, reduce re-oxidation and facilitate faster loading on to the trucks. Automatic bagging machines have been installed just below the bunkers for bagging sponge iron, which are then sent to customers through trucks.

PLANT & MACHINERY

The details of major plant and machinery installed at our Chandrapur unit are given below:

| Name | Quantity |
|-------------------|-----------------|
| Kiln Main Drive | 2 |
| Cooler Main Drive | 2 |

| | |
|---------------------|---|
| Seprotech Machine | 1 |
| Induced Draught Fan | 2 |

INSTALLED CAPACITY & CAPACITY UTILIZATION:-

The details of the aggregate sponge iron capacity utilization for Fiscals 2022, 2021 and 2020, are set out below:

| Particulars | 2019-20 | 2020-21 | 2021-22 | Existing Capacity (p.a.) | Installed Capacity (p.a.) |
|-----------------------------|-----------|----------|-----------|--------------------------|---------------------------|
| Installed capacity (in MT) | 72,000 | 72,000 | 72,000 | 72,000 | |
| Actual Production (in MT) | 33,447.76 | 61,000.5 | 56,294.21 | | |
| Capacity Utilization (in %) | 46.46% | 84.72% | 78.19% | | |

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary. For details, please refer to Chapter titled “Risk factors” page 24 of this Prospectus.

Collaborations/Tie Ups/ Joint Ventures: We have not entered into any technical or financial or any other collaboration agreement as on the date of filing of this Prospectus.

Export Obligation: Our Company does not have any export obligation, as on date of this Prospectus.

Sales and marketing

Our Sales and Marketing team keeps a track of new leads and stay in touch with our existing customers when new developments are foreseen at their end. There is continuous interaction with the product development team at customer end so as to understand the potential business possibilities in near future and the opportunities where we can be sharing responsibilities for new product component support. Our marketing team along with our promoters through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the sales network of our Company. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers. Our prime consideration for customer selection is timely payments and consistency in purchases.

Competition:

The sponge iron industry is extremely competitive where the key factors of competition primarily comprise of product quality, cost and timely delivery. In this highly competitive industry, we compete with other sponge iron manufacturers and suppliers in the world and in India. Some of our competitors have better penetration in some of the geographical locations that we operate in. We believe that our cost effective and integrated facility, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in many of our products. While these factors are key parameters the in-client’s decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most of the deals. Some of our significant competitors in the organized segment include Lloyds Metals & Energy Ltd and Bihar Sponge Iron Ltd.

Infrastructure and Utilities:

Raw Materials: The key raw materials to produce sponge iron are iron ore/iron ore pellets, coal and dolomite. Sponge iron manufacturing is highly sensitive to raw material characteristics that would help obtain the rated capacity and the desired product quality.

- **Iron Ore/Iron Ore Pellets:** During sponge iron manufacturing, iron ore/iron ore pellets is reduced in solid state. To optimise yield during sponge iron making, it is essential for us to select an ore with high iron content and a low gangue content. We primarily source our iron ore from the mines of Chandrapur, Maharashtra, as well as from other nearby mines, as and when required.
- **Coal:** To enhance productivity at an optimal cost, improve our product quality and kiln campaign life, we procure coal of specified quality from mines located near to our manufacturing facility or from other parts of India and also use coal imported from other countries.
- **Dolomite:** Dolomite is an important ingredient and acts as a de-sulphuriser removing sulphur from the feed mix during the reduction process. Control of sulphur content is an essential pre-requisite for the manufacture of good quality steel. We procure dolomite from mines located near to our manufacturing facility or from other parts of India.

Power: The requirement of power for our operations, like power for lighting and operating the plant & machineries is met through supply from Maharashtra State Electricity Distribution Co. Ltd.


Water: The existing water requirement for our manufacturing unit is met from Maharashtra Industrial Development Corporation(MIDC).

Manpower: We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. We aim towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations. As on November 30, 2022, our Company has employed 44 employees (including labour) at various levels of the Organization. We also employ manpower on contractual basis also.

PROPERTY:-

Intellectual Property

Trademarks used by our Company:

| Sr. no. | Trademark | Trademark Owned by | Issuing Authority | Class | Status |
|---------|---|--------------------------------|-------------------------|-------|----------|
| 1. |  | G.R. Sponge and Power Limited* | Registrar of Trademarks | 6 | Approved |

*We have been granted NOC dated April 07, 2022 by our corporate promoter i.e. G.R. Sponge and Power Limited for usage of the said trademark.

Immovable Properties:

The following are the details of the immovable properties owned / leased/rented by our Company:-

| Sr. No. | Address | Usage | Owned/Leased/Rent |
|---------|---|---|--|
| 1. | 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001 | Corporate Office | The said property has been obtained on rent from Keshav Kumar Agrawal vide Rent agreement dated June 09, 2022 for a period of 11 months at a rent of Rs. 24,000 p.m. |
| 2. | A 26 Tadali Growth Centre, MIDC Chandrapur, Maharashtra, 442406. | Registered Office and Factory Unit | The said property has been obtained on lease vide Lead Deed dated February 21, 2005 for a period of 95 years w.e.f. December 01, 2004 from Maharashtra Industrial Development Corporation. |
| 3. | Survey No. 183 and 184, Mouja Yerur, T.S. No. 5, Tahsil and District Chandrapur. | Will be used for expansion of Existing Manufacturing facility | Owned |

Insurance

We have obtained insurance coverage in respect of certain risks related to fire, earthquake, terrorism, machinery breakdown, fire loss of profits, for our factory building, plant & machinery and stock through an industrial all risk policy. Also, we have obtained insurance policies in respect of public liability, workmen compensation and vehicle insurance. Our operations are subject to risks inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our insurance policies may not be sufficient to cover our economic loss. For further details, kindly refer the section on "Risk Factors" beginning on page 24 of this Prospectus. Our insurance coverage may not adequately protect us against all material hazards, which may affect our business, results of operations and financial condition.

KEY INDUSTRIAL REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that may be applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.

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

*In addition to what has been specified in this Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the 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 192 of this Prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company.

INDUSTRY RELATED LAW: -

The Factories Act, 1948

The Factories Act, 1948, as amended ("Factories Act") seeks to regulate the employment of workers in factories and makes provisions for the health, safety and welfare of the workers while at work in the factory including requiring adequate maintenance of plant, systems and other places of work, and provision of adequate training and supervision. The Factories Act defines a 'factory' to be any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power, or a premises where there are at least 20 workers who are engaged in a manufacturing process without the aid of power. Each State Government has set out rules in respect of the prior submission of plans, their approval for the registration of the establishment, and licensing of factories.

Maharashtra Factories Rules, 1963

The Maharashtra Factories Rules, 1963 is a social legislation that has been enacted for occupational safety, health, and welfare of workers at work place. The State of Maharashtra has formulated its rules as envisaged under the Act and they are known as Maharashtra Factories Rules, 1963.

C.G. Shops & Establishments Act, 1958

An Act to provide for the regulation of conditions of work and employment in shops, commercial establishments, residential hotels, restaurants, eating houses, theatres, other places of public amusements or entertainment and other establishments.

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010

The Indian Electricity (IE) Rules, 1956 was made under section 37 of the Indian Electricity Act, 1910 and redefined after enactment of The Electricity Act, 2003. CEAR namely Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 came into effect from 20th September 2010, in place of The Indian Electricity Rules, 1956.

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 lock-outs, closures, lay-offs and retrenchment

MANUFACTURING AND PRODUCTION RELATED LAW: - Environmental Laws

Environment Protection Act, 1986 (“EPA”) and Environment (Protection) Rules, 1986

The EPA is the umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the GoI is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to ₹ 100,000 or imprisonment of up to five years, or both. If the violation continues beyond a period of one year after the date of conviction, the offender shall be punishable with imprisonment for a term which may extend upto seven years. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of Government analysts.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”) and Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the central and state pollution control board. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the state pollution control board may cause the local magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines and/or imprisonment.

Air (Prevention and Control of Pollution) Act, 1981

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the respective state pollution control boards. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board, prior to establishing or operating such industrial plant. The state pollution control board may then grant consent, subject to mentioned conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, (“Hazardous Wastes Rules”)

The Hazardous Wastes Rules impose an obligation on every occupier of a facility generating hazardous waste to deploy safe and environmentally sound measures for handling of hazardous waste generated at such facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable state pollution control board. The occupier, the importer, the transporter and the operator of disposal facility are liable for damages to the environment or third party resulting from the improper handling and disposal of hazardous waste.

The Electricity Act, 2003

The Electricity Act, 2003 (hereinafter referred to as the “Act”) was enacted with effect from June 10, 2003 repealing and replacing all the three Acts i.e., Indian Electricity Act, 1910, Electricity (Supply) Act, 1948 and Electricity Regulatory Commissions Act, 1998. The Act seeks to provide for demarcation of the roles of generation, transmission and distribution to provide for individual accountability of each. Some of the major provisions of the Act include inter alia the following:

1. de-licenses generation, makes captive-generation freely permissible;
2. provides open access for transmission, distribution and trading;
3. specifies technical standards, grid standards and safety requirements; and
4. introduces power trading as a distinct activity from power generation, transmission and distribution.

As regards captive power generation, Section 7 of the Act provides that a generating company may establish, operate and maintain a generating station without obtaining a license under this Act if it complies with prescribed technical standards. Section 9(1) of the Act allows any person to construct, maintain or operate a captive generation plant and dedicated transmission lines, subject to the condition that supply of electricity from the captive generating plant through the grid shall be regulated in the same manner as the generating station of a generating company. Section 9(2) of the Act further states that every person who has constructed a captive generating plant and maintains and operates such plant shall have the right to open access for the purposes of carrying electricity from captive generating plant to the destination of his use, subject to availability of adequate transmission facility.

GENERAL CORPORATE COMPLIANCE AND TAX RELATED LEGISLATIONS

Companies Act, 2013

Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise— goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

Income Tax Act, 1961

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

EMPLOYMENT AND LABOUR LAWS

Payment of Wages Act, 1936

The main object of the Act is to eliminate all malpractices by laying down the time and mode of payment of wages as well as securing that the workers are paid their wages at regular intervals, without any unauthorized deductions. In order to enlarge its scope and

provide for more effective enforcement the Act is empowering the Government to enhance the ceiling by notification in future and to ensure a speedy and effective remedy to them against unauthorized deductions and/or unjustified delay caused in paying wages to them. The Act extends to the whole of India.

Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees' Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Workmen's Compensation Act, 1923

The Workmen's Compensation Act, 1923 provides that if personal injury is caused to a workman by accident during his employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid (i) if the injury does not disable the workman for more than three days, (ii) where the workman, at the time of injury, was under the influence of drugs or alcohol or (iii) where the workman wilfully disobeyed safety rules.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 10 or more than 10 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

Minimum Wages Act, 1948 ("MWA")

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum

rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

Contract Labour (Regulation and Abolition) Act, 1970

The Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) which requires the Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

The Occupational Safety, Health and Working Conditions Code, 2020 (the "Occupational Conditions Code")

The Occupational Conditions Code received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Occupational Conditions Code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

Other labour law legislations

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- i. Child Labour (Prohibition and Regulation) Act, 1986
- ii. Transgender Persons (Protection of Rights) Act, 2019
- iii. Equal Remuneration Act, 1976
- iv. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- v. The Code on Wages, 2019*
- vi. The Code on Social Security, 2020**
- vii. Various state shops and establishments legislations

**The GoI enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(2)(s), 67(2)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986) of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.*

***The GoI enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008.*

INTELLECTUAL PROPERTY LEGISLATIONS:

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

The Trade Marks Act, 1999 (the "Trade Marks Act")

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on

the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

OTHER LAWS

Municipality Laws

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Police Laws

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

The Indian Contract Act, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

Transfer of Property Act, 1882

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. 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.

Registration Act, 1908

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. 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 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. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

The Negotiable Instruments Act, 1881(NI Act)

In India, the laws governing monetary instruments such as cheque are contained in the NI Act, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking,

Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheque without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid.

FEMA Regulations

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") & Foreign Exchange Management (Non-debt Instruments) Rules, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. 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.

The Arbitration & Conciliation Act, 1996

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

The Code of Criminal Procedure Code, 1973

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1st April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behaviour. The law of criminal procedure is meant to be complimentary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

The Code of Civil Procedure, 1908

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

Prevention of Money Laundering Act, 2002

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimise the ill-gotten gains through

money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe heavens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

Most fundamentally, money laundering is inextricably linked to the underlying criminal activity that generates it. In essence, the laundering enables criminal activity to continue.

HISTORY AND CORPORATE STRUCTURE

Brief history of our Company

Our Company was originally incorporated as “Chaman Metallics Private Limited” on November 10, 2003. Subsequently, pursuant to special resolution passed by the shareholders of the Company at the Extra ordinary general meeting held on February 22, 2008 the company was changed into a Public Limited Company and renamed as “Chaman Metallics Ltd” vide a fresh certificate of incorporation dated April 22, 2008, issued by the Registrar of Companies, Maharashtra, Mumbai.

The company was earlier part of MSP Group and has been acquired in 2019 by G.R.Group pursuant to the Share Purchase agreement dated March 14, 2019 entered between purchasers (G.R. Group), sellers (MSP Group) and Chaman Metallics Limited wherein the entire issued and paid up share capital of the Company constituting 78,94,562 equity shares of the Face Value of Rs. 10 each was transferred to the purchaser (G.R. Group) for a consideration of Rs. 20.50 crores.

Avinash Chandra Kapoor, Ajay Kapoor and Rajat Kapoor were the initial subscribers to the Memorandum of Association of our Company.

Address of the Registered Office, Corporate Office and Factory Unit

| | |
|---|---|
| Registered Office & Factory Unit | A-26, M.I.D.C, Tadali Growth Centre, Chandrapur, Maharashtra - 442 406 |
| Corporate Office | 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001 |

Changes in Registered Office of the Company

Except as disclosed below, there has been no change in our Registered Office since incorporation.

| Effective date of change | From | To | Reason for change |
|---------------------------------|---|--|----------------------------|
| March 12, 2007 | R-3, Yugdham Complex, 27, Central Bazar, Nagpur, Maharashtra- 440 010 | A-26, M.I.D.C, Tadali Growth Centre, Tadali, Chandrapur, Maharashtra - 442 406 | Administrative convenience |

Main Objects of Memorandum of Association

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our Company are as follows:

1. To carry on the business as manufacturers, fabricators, converters, processors, rollers, re-rollers, producers, assemblers, fitters/repairers, annealers, enamellers, machinists, grinders, millers, electroplaters, buyers, sellers, dealers, importers, exporters, distributors, agents in all kinds of steel & structural steel, stainless steel, carbon steel, alloy steel, mild steel micro-alloy steel, tool steel and, other special steel group and their products such sponge iron, pig iron as ingots, billets, blooms, sheets, strips, rounds, rods, bars, ropes, squares, invert angles, valve plates, mining U beam, elevator guide channels, flats, slabs, I beams, H beams, rails, joints, joist, channels, angles, rolls, steel strips, plates, plain and coiled twisted bars, sections, shaftings, structurals, pipes, tubes, wires, coke-metallurgical, chemical grades.
2. The Company to set up a Power Plant
 - i. to generate, accumulate, transmit, distribute and supply electricity for the purpose of captive consumption for being used in other manufacturing process(s), heat, light and for all other purposes for which electrical energy can be employed, and supply of surplus electrical energy to external entities as well, and to manufacture and/or procure all apparatus and things required for or capable of being used in connection with the generation, accumulation, transmission, distribution, supply and employment of electricity, including in the term 'electricity' all power that can be derived therefrom, or may be incidentally hereafter discovered in dealing with electricity.
 - ii. To acquire concessions, or license granted by and to enter into contracts with the government of India or Government of any state in India, or any Municipal or Local Authority, Company or Person, for the construction and maintenance of any electrical installations, for the production, transmission or use of any electric power for aforementioned purposes.
 - iii. To construct, lay down, establish, fix and carry out all necessary buildings, works, machineries, mains, cables, wires, lines, accumulators, lamps and other appliances to generate, accumulate, transmit, distribute, supply and employ electricity.
 - iv. To process, make marketable use, sell and dispose off ash or any other material produced as a result of the generation of electricity and to prepare, manufacture, sell and deal in any products capable of being produced from such ash or other material.

Amendments to the Memorandum of Association

Except as stated below, there has been no change in the Memorandum of Association of our Company since its incorporation:

| Date of Meeting | Type of Meeting | Amendments |
|-------------------|-----------------|--|
| March 18, 2005 | EGM | Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from Rs. 5,00,000/- divided into 50,000 Equity shares of Rs. 10/- Each to Rs. 1,20,00,000/- divided into 12,00,000 Equity Shares of Rs. 10/-Each. |
| March 12, 2007 | EGM | Clause IV(A) of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from Rs. 1,20,00,000/- divided into 12,00,000 Equity Shares of Rs. 10/- Each to Rs. 2,00,00,000/- divided into 20,00,000 Equity shares of Rs. 10/- Each. |
| February 22, 2008 | EGM | <p>Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from “Chaman Metallica Private Limited” to “Chaman Metallica Limited” vide a Fresh Certificate of Incorporation dated April 22, 2008, bearing U27100MH2003PLC143049 was issued by the Registrar of Companies, Maharashtra, Mumbai.</p> <p>Alteration of the Objects Clause of the Memorandum of Association (“MOA”) of the Company by inserting the following new sub-clauses as sub clause III(A)(2) immediately after the existing sub clause III(A)(1): Sub-clause III (A) (2) To carry on the business by setting up a Power Plant.</p> <ol style="list-style-type: none"> to generate, accumulate, transmit, distribute and supply electricity for the purpose of captive consumption for being used in other manufacturing process(s), heat, light and for all other purposes for which electrical energy can be employed, and supply of surplus electrical energy to external entities as well, and to manufacture and/or procure all apparatus and things required for or capable of being used in connection with the generation, accumulation, transmission, distribution, supply and employment of electricity, including in the term 'electricity' all power that can be derived therefrom, or may be incidentally hereafter discovered in dealing with electricity. To acquire concessions, or license granted by and to enter into contracts with the government of India or Government of any state in India, or any Municipal or Local Authority, Company or Person, for the construction and maintenance of any electrical installations, for the production, transmission or use of any electric power for aforementioned purposes. To construct, lay down, establish, fix and carry out all necessary buildings, works, machineries, mains, cables, wires, lines, accumulators, lamps and other appliances to generate, accumulate, transmit, distribute, supply and employ electricity. To process, make marketable use, sell and dispose off ash or any other material produced as a result of the generation of electricity and to prepare, manufacture, sell and deal in any products capable of being produced from such ash or other material. |
| August 18, 2008 | EGM | Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from Rs. 2,00,00,000/- divided into 20,00,000 Equity shares of Rs. 10/- Each to Rs. 3,00,00,000/- divided into 30,00,000 Equity shares of Rs. 10/- Each. |
| November 27, 2013 | EGM | Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from Rs. 3,00,00,000/- divided into 30,00,000 Equity shares of Rs. 10/- Each to Rs. 6,00,00,000/- divided into 60,00,000 Equity shares of Rs. 10/- Each. |
| February 24, 2015 | EGM | Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from Rs. 6,00,00,000/-divided into 60,00,000 Equity shares of Rs. 10/- Each to Rs. 8,00,00,000/-divided into 80,00,000 Equity shares of Rs. 10/- Each. |
| June 03, 2022 | EGM | <p>Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from Rs. 8,00,00,000/- divided into 80,00,000 Equity shares of Rs. 10/- Each to Rs. 25,00,00,000/- divided into 2,50,00,000 Equity shares of Rs. 10/- Each.</p> <p>Adoption of MOA as per Companies Act, 2013</p> |

Adopting new set of Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated June 03, 2022.

Major events and milestones of Our Company

The table below sets forth some of the major events in the history of our company:

| Year/F.Y. | Key Events / Milestone / Achievements |
|-----------|--|
| 2003 | Incorporation of our Company as “Chaman Metallica Private Limited” under the Companies Act, 1956. |
| 2005 | Commencement of Commercial Production at Chandrapur factory unit |
| 2007 | Change in Registered office of the Company from Nagpur, Maharashtra to Chandrapur, Maharashtra. |
| 2008 | Conversion of Company from Private Limited to Limited Company i.e. “Chaman Metallica Private Limited” to “Chaman Metallica Limited”. |
| 2008 | Purchase of land in Chandrapur District, within the limits of Grampanchayat, Yerur. |
| 2019 | Acquisition of “Chaman Metallica Limited” by our current promoters and promoter group pursuant to Share Purchase Agreement dated March 14, 2019. |
| 2019-20 | Crossed Revenue of Rs. 50 Cr. |
| 2020-21 | Crossed Revenue of Rs. 100 Cr. |
| 2021-22 | Crossed Revenue of Rs. 175 Cr. |

Other details about our Company

For details of our Company’s activities, products, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis for Issue Price*” on pages 101, 181 and 83 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on page 120 and 53 of the Prospectus respectively.

Capital Raising (Debt / Equity):

For details in relation to our capital raising activities through equity, please refer to the chapter titled “**Capital Structure**” beginning on page 53 of the Prospectus.

For a description of our Company’s debt facilities, see “**Statement of Financial Indebtedness**” on page 177 of the Prospectus.

Changes in activities of Our Company during the last five (5) Years:

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Prospectus.

Our holding company

As on the date of this Prospectus, our Company does not have a holding company.

Subsidiaries, Associates, and Joint Ventures

As on the date of this Prospectus, our Company does not have any Subsidiaries or associates or joint ventures.

Capacity/ Facility Creation, Location of Plants

For details pertaining to capacity / facility creation, location of plant refers section “*Our Business*” on page 101 of this Prospectus.

Details of launch of key products, entry in new geographies or exit from existing markets

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled “*Our Business*” on page 101 of this Prospectus.

Strategic or Financial Partnerships

As on the date of this Prospectus, Our Company does not have any strategic or financial partnerships.

Time and Cost Overruns in Setting up Projects

There has been no time / cost overrun in setting up projects by our Company.

Defaults or Rescheduling of Borrowings with Financial Institutions/Banks

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Prospectus.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, revaluation of assets etc.

In the last 10 years, there are no mergers, amalgamation, revaluation of assets etc. with respect to our company and we have not acquired any business/undertaking in the said period.

Injunction or Restraining Order

Except as disclosed in the section titled “**Outstanding Litigation and Material Developments**” beginning on page 188 of this Prospectus, there are no injunctions/restraining orders that have been passed against our Company.

Number of shareholders of Our Company

Our Company has Nine (9) shareholders as on the date of this Prospectus.

For further details on the shareholding pattern of our Company, please refer to the chapter titled “**Capital Structure**” beginning on page 53 of the Prospectus.

Shareholders Agreements

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Prospectus.

Collaboration Agreements

As on date of this Prospectus, Our Company is not a party to any collaboration agreements.

Material Agreement

Share Purchase Agreement

Our Company, Chaman Metallics Limited entered into a Share Purchase Agreement dated March 14, 2019, April 12, 2019 and June 17, 2019 pursuant to which the entire equity share capital of our Company constituting 78,94,562 equity shares of the Face Value of Rs. 10 each was acquired by our current promoters along with promoter group for an aggregate sum of Rs. 20,50,00,000.

Except as disclosed above, our Company has not entered into any material contracts or agreements other than in the ordinary course of business carried on or intended to be carried on by our Company in the last two years preceding this Prospectus.

Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Other Agreements

Non-Compete Agreement

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Prospectus.

Joint Venture Agreement

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Prospectus.

OUR MANAGEMENT

Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Prospectus:

| Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN | Other directorships |
|--|---|
| <p>Chetan Kumar Agrawal</p> <p>Designation: Chairman & Managing Director Age: 36 years Date of Birth: November 26, 1986 Address: GR House Agrawal Complex, opp. Pandey Nursing Home, Samta Colony, Raipur Chhattisgarh 492001 Experience: 16 years Occupation: Business Qualification: Bachelor of Engineering. Current Term: Appointed for five years with effect from July 12, 2022 (liable to retire by rotation). Period of Directorship: Since June 17, 2019 DIN: 00748916.</p> | <ol style="list-style-type: none"> 1. G.R. Ores and Fuels. 2. Shree Vasu Logistics Limited. 3. G.R. Sponge and Power Limited. 4. G.R. Minerals and Industries Private Limited. 5. G.R. Ecotech Private limited. 6. G.R. Krishna Ferro Alloys Private Limited. 7. N.R. Sponge Private Limited. 8. G.R. Integrated Steel Private Limited. 9. Aryabhatt Sales Private Limited. |
| <p>Ramesh Kumar Agrawal</p> <p>Designation: Non-Executive Director Age: 61 years Date of Birth: June 15, 1961 Address: GR House Agrawal Complex opp. Pandey Nursing Home Samta Colony Raipur Chhattisgarh 492001 Experience: 42 Years Occupation: Business Qualification: Bachelor of Commerce Current Term: Appointed with effect from July 12, 2022 (liable to retire by rotation). Period of Directorship: Since June 17, 2019 DIN: 00748853</p> | <ol style="list-style-type: none"> 1. C.G. Sponge Manufacturers Consotium Coal Fields LLP. 2. G.R. mines and Minerals Private Limited. 3. G.R. Sponge and Power Limited. 4. N.R. Sponge Private Limited. 5. Maa Danteshwari Pellet and Steel private Limited. 6. G.R. Integrated Steel Private Limited. 7. Aryabhatt Sales Private Limited. 8. Vikruti Infrastructures Private Limited. |
| <p>Keshav Kumar Agrawal</p> <p>Designation: Joint Managing Director and Chief Financial Officer Age: 32 years. Date of Birth: October 20, 1990 Address: GR House Agrawal Complex opp. Pandey Nursing Home Samta Colony Raipur Chhattisgarh 492001. Experience: 13Years. Occupation: Business. Qualification: Chartered Accountant, Bachelor of Commerce Current Term: Appointed with effect from July 12, 2022 (liable to retire by rotation). Period of Directorship: Since June 17, 2019. DIN: 02460958.</p> | <ol style="list-style-type: none"> 1. G.R. Ores and Fuels LLP. 2. G.R. mines and Minerals Private Limited. 3. G.R. Sponge and Power Limited. 4. G.R. Minerals and Industries Private Limited. 5. G.R. Ecotech Private Limited. 6. G.R. Krishna Ferro Alloys Private Limited. 7. N.R. Sponge Private Limited. 8. G.R. Integrated Steel Private Limited |
| <p>Sumit Dahiya</p> <p>Designation: Independent Director Age: 29 years Date of Birth: March 28, 1993 Address: D-28, Sector 1, Shailendra Nagar, Raipur, Chhattisgarh 492001 Experience: 8Years Occupation: Business Qualification: Chartered Accountant, Bachelor of Commerce Current Term: Appointed for 5 years with effect from July 26, 2022 (not liable to retire by rotation). Period of Directorship: Since July 26, 2022</p> | NIL |

| | |
|--|--|
| <p>DIN: 09685509</p> <p>Ranjeet Singh Thakur</p> <p>Designation: Independent Director Age: 74 years Date of Birth: December 17, 1948 Address: Pitrchhaya P 304, Shrivastava, Associates, Pridarshini Nagar, Raipur, Chhattisgarh 492006 Experience: 52 Years Occupation: Service Qualification: M.Sc. (Chemistry), AMIE (Chemical) ISO-Lead Auditor-9001 from UK. Current Term: Appointed for five years with effect from November 26, 2021 (not liable to retire by rotation). Period of Directorship: Since November 26, 2021 DIN: 01634319</p> | <ol style="list-style-type: none"> 1. R R Minerals & Engineering Consultancy Private Limited. 2. G.R. Sponge and Power Limited. 3. N.R. Sponge Private Limited. |
| <p>Disha Keshariya</p> <p>Designation: Independent Director Age: 23 years Date of Birth: May 13, 1999 Address: Muktagan Besides Shiv Vidya Mandir, School Gali mai Aakhiri Ghar, Kushalpur, Raipur, Chhattisgarh 492001. Experience: 1 Year Occupation: Service Qualification: Associate Member of Institute of Company Secretaries of India. Current Term: Appointed for five years with effect from July 26, 2022 (not liable to retire by rotation). Period of Directorship: Since July 26, 2022. DIN: 09621345</p> | <p style="text-align: center;">NIL</p> |

Brief Profile of Directors:

1. **Chetan Kumar Agrawal** is the Chairman and Managing Director of our Company. He holds a Bachelor’s degree in Industrial Engineering from University of Pune. He has been associated with our Company since June 17, 2019. He has over 16 years of experience in the steel industry.
2. **Ramesh Kumar Agrawal** is the Non- Executive Director of our Company. He holds a Bachelor’s degree in Commerce. He has been associated with our Company since June 17, 2019. He has a work experience of almost 30 years in the steel industry.
3. **Keshav Kumar Agrawal** is the Joint Managing Director and Chief Financial Officer of our Company. He has been associated with our Company since June 17, 2019. He is a chartered accountant from the Institute of Chartered Accountants of India and holds Bachelor’s degree in Business Administrations from University of Mumbai. He has a work experience of over 13 years in the steel industry.
4. **Sumit Dahiya** is the Independent Director of our Company. He has been appointed on the board with effect from July 26, 2022 for a term of 5 year vide Board Meeting dated July 26, 2022 and Annual General Meeting dated August 04, 2022. He is a Chartered Accountant from the Institute of Chartered Accountants of India and has an experience of more than 8 years in providing auditing, corporate financing and tax consultancy services to various clients. He is currently practicing as a Chartered Accountant in Raipur, Chhattisgarh.
5. **Ranjeet Singh Thakur** is the Independent Director of our Company. He has been appointed on the board with effect from November 26, 2021 for a term of 5 year vide Annual General Meeting dated November 26, 2021. He has a rich experience of 52 years in the cement industry. He has worked in various cement manufacturing companies and has gained a vast experience in the field of operations, quality control, project management, erection and commissioning etc. He is currently serving as Director in RR Minerals & Engineering Consultancy Pvt. Ltd.
6. **Disha Keshariya** the Independent Director of our Company. She has been appointed on the board with effect from July 26, 2022 for a term of 5 year vide Board Meeting dated July 26, 2022 and Annual General Meeting dated August 04, 2022. She is the qualified member of Institute of Company Secretaries of India and has an experience of 1 year in providing services related to Corporate &

Secretarial compliances. She is currently working as Whole Time Company Secretary in Vizianagar Starch and Allied Products Private Limited.

Confirmations:

As on the date of this Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares has been or were suspended from being traded on the NSE, during the term of their directorship in such company.
- b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c) None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- d) None of our Directors is declared as fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Pursuant to a special resolution passed at an Annual General Meeting of our Company held on August 04, 2022 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 500 Crore (Rupees Five Hundred Crore Only).

Compensation of our Managing Director and Joint Managing Director

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Joint Managing Director:

| Particulars | Chetan Kumar Agrawal | Keshav Kumar Agrawal |
|------------------------------------|---|--|
| Appointment/ Change in Designation | Originally appointed as Director w.e.f. June 17, 2019; Further, Change in designation as "Chairman and Managing Director" w.e.f. July 12, 2022 | Originally appointed as Director w.e.f. June 17, 2019; Further, Change in designation as "Joint Managing Director and Chief Financial Officer" w.e.f. July 12, 2022 and August 17, 2022. |
| Current Designation | Chairman and Managing Director | Joint Managing Director and Chief Financial Officer |
| Terms of Appointment | 5 years | 5 years |
| Basic Remuneration | Rs. 6,25,000 /- Per Month Incentive/commission: Equivalent to 1% of the net profits of the Company, subject to ceiling of the amount equal to annual salary. | Rs. 6,25,000/- Per Month Incentive/commission: Equivalent to 1% of the net profits of the Company, subject to ceiling of the amount equal to annual salary. |
| Perquisites | Accommodation, medical reimbursements, leave travel concessions, Club fees, Provident | Accommodation, medical reimbursements, leave travel concessions, Club fees, Provident |

| | | |
|---|---|---|
| | fund/pension, Gratuity, car with services of driver, telephone facility at residence, reimbursement of expenses and any other allowances as decided by the Board from time to time. | fund/pension, Gratuity, car with services of driver, telephone facility at residence, reimbursement of expenses and any other allowances as decided by the Board from time to time. |
| Remuneration paid in the F.Y 2021-22 (including commission) | Rs. 6,00,000 p.a. | Rs. 21,66,000 p.a. |

Bonus or Profit Sharing Plan for our Directors:

We have no bonus or profit sharing plan for our Directors.

Sitting Fees:

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Executive Directors), not exceeding Rs. 1.00 Lac to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated August 17, 2022 payment of an amount not exceeding Rs. 1.00 Lac as approved by the Board to all Non-executive Directors for attending each such meeting of the Board or Committee thereof.

Shareholding of our Directors as on the date of this Prospectus:-

| Sr. No. | Name of the Directors | No. of Shares Held | Holding in % |
|----------------|------------------------------|---------------------------|---------------------|
| 1. | Chetan Kumar Agrawal | 1,47,969 | 0.83 |
| 2. | Ramesh Kumar Agrawal | 1,47,969 | 0.83 |
| 3. | Keshav Kumar Agrawal | 1,47,969 | 0.83 |
| | Total | 4,43,907 | 2.49 |

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus.

We do not have Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled **"Our Management"** beginning on page 120 of this Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to **"Statement of Financial Indebtedness"** on page 177 of this Prospectus.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section **"Our Management"** or the section titled **"Financial information of the Company –Note Z - Related Party Transactions"** beginning on page 120 and 168 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Interest in the property of Our Company:

Except as mentioned hereunder our directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of this Prospectus.

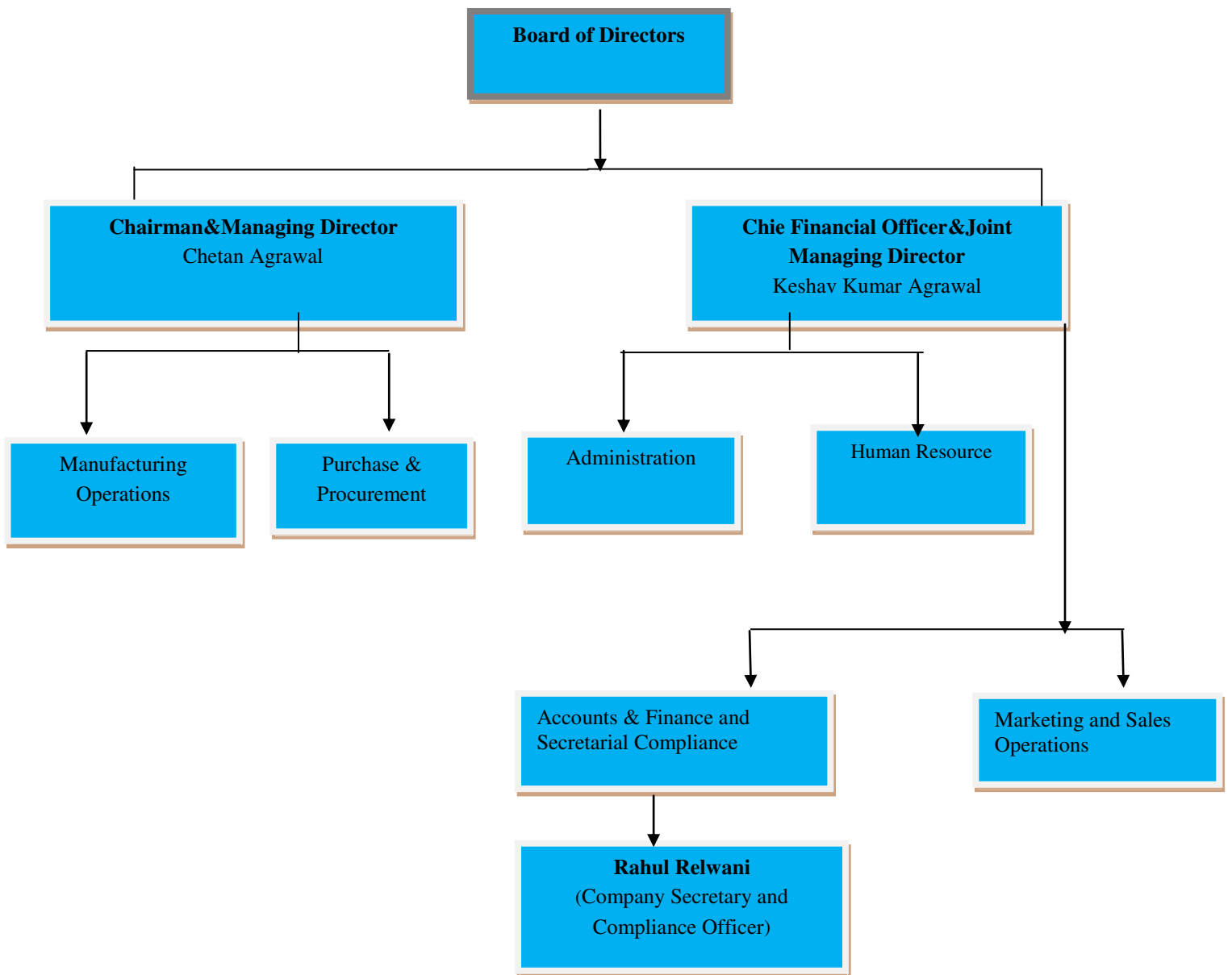
| Sr. No. | Name of Director | Address of Property | Interest and nature of interest |
|---------|----------------------|---|--|
| 1. | Keshav Kumar Agrawal | H No. 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh | The said property has been obtained on rent from Keshav Kumar Agrawal vide Rent agreement dated June 09, 2022 for a period of 11 months at a rent of Rs. 24,000 p.m. |

Changes in Board of Directors in Last 3 Years

| Name of Director | Designation (at the time of appointment/Change in designation / Cessation) | Date of Appointment/ Change in designation/ Cessation | Reason |
|------------------------|--|---|---|
| Keshav Kumar Agrawal | Change in designation from director to Joint Managing Director | August 17, 2022 | To ensure better Corporate Governance and compliance with the Companies Act, 2013 |
| Sumit Dhaiya | Regularization as an Independent Director | August 04, 2022 | |
| Disha Keshariya | Regularization as an Independent Director | August 04, 2022 | |
| Sumit Dhaiya | Appointed as an Additional Independent director | July 26, 2022 | |
| Disha Keshariya | Appointed as an Additional Independent director | July 26, 2022 | |
| Keshav Kumar Agrawal | Appointed as a Chief Financial Officer | July 12, 2022 | |
| Ramesh Kumar Agrawal | Change in designation from Director as an Non-Executive Director | July 12, 2022 | |
| Chetan Kumar Agrawal | Change in designation from Director to Chairman and Managing Director | July 12, 2022 | |
| Ranjeet Singh Thakur | Appointed as an Independent Director | November 11, 2021 | |
| Mr Jyotish Chandra Das | Appointed as an Independent Director | November 11, 2021 | |
| Chetan Kumar Agrawal | Regularization as an Executive Director | September 30, 2019 | |
| Keshav Kumar Agrawal | Regularization as an Executive Director | September 30, 2019 | |
| Ramesh Kumar Agrawal | Regularization as an Executive Director | September 30, 2019 | |
| Jyotish Chandra Das | Resignation as an Independent Director | July 26, 2022 | Personal Reason |

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME platform of NSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committees and Corporate Social Responsibility Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which three (3) are Independent Directors, and we have one women Independent director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

1. Audit Committee

Our Company has formed an Audit Committee ("Audit Committee"), vide Board Resolution dated November 30, 2021, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and reconstituted vide Board resolution dated July 26, 2022. The reconstituted Audit Committee comprises following members:

| Name of the Director | Status in Committee | Nature of Directorship |
|-----------------------------|----------------------------|-------------------------------|
| Ranjeet Singh Thakur | Chairman | Independent Director |
| Sumit Dahiya | Member | Independent Director |
| Keshav Kumar Agrawal | Member | CFO & Joint Managing Director |

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit committee shall be called by at least seven days' notice in advance. Any member of the audit committee may be removed or replaced at any time by the Board. Any member of the committee ceasing to be the Director shall be ceased to be the member of the audit Committee.

C. Power of the Committee:

The Audit Committee shall have powers, including the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice; and
- to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations.

D. Role of the Committee: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to the statutory auditors for any other services rendered by the statutory auditors;

- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - 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; and
 - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) 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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 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) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) 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;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
- 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- c) Internal audit reports relating to internal control weaknesses; and
- d) The appointment, removal and terms of remuneration of the chief internal auditor
- e) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178(5) and other applicable provisions of the Companies Act, 2013 read with rule 6of the companies (Meeting of board and its power) rules,

2014 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated July 26, 2022. The constituted Stakeholders Relationship Committee comprises the following:

| Name of the Director | Status in Committee | Nature of Directorship |
|----------------------|---------------------|------------------------------|
| Ramesh Kumar Agrawal | Chairman | Non-Executive Director |
| Sumit Dahiya | Member | Independent Director |
| Chetan Kumar Agrawal | Member | Chairman & Managing Director |

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The Chairperson of the Stakeholders Relationship Committee shall attend the Annual General Meeting of our Company to answer queries of the shareholders. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least once a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
 - 1) Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate share certificates in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized and new certificates on split / consolidation/ renewal etc.;
 - 2) Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances;
 - 3) Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
 - 4) Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
 - 5) Review of measures taken for effective exercise of voting rights by shareholders.
 - 6) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
 - 7) Consider and resolve grievances of security holders of the Company, including complaints related to Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance / complaints with Company or any officer of the Company arising out in discharge of his duties.
 - 8) Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
 - 9) Carrying out any other function contained in the equity listing agreements as and when amended from time to time.
 - 10) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
 - 11) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178, Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated November 30, 2021 and reconstituted vide Board resolution dated July 26, 2022. The Nomination and Remuneration Committee comprise the following:

| Name of the Director | Status in Committee | Nature of Directorship |
|----------------------|---------------------|------------------------|
| Ranjeet Singh Thakur | Chairman | Independent Director |
| Disha Keshariya | Member | Independent Director |
| Ramesh Kumar Agrawal | Member | Director |

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until

otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher, including atleast one independent director in attendance. Meeting of the nomination and remuneration committee shall be called by at least seven days' notice in advance. The Chairman of the nomination and remuneration committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration.

C. Role of Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- 1) Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- 2) Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- 3) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. Use the services of an external agencies, if required;
 - b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
- 4) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 5) Devising a policy on diversity of board of directors;
- 6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) Determine our Company's policy on specific remuneration package for the Managing Director / Executive Directors including pension rights;
- 8) Recommending the remuneration of executive directors and any increase therein from time to time;
- 9) Recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 10) Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- 11) Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time;
- 12) Analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc;
- 15) To formulate and administer the Employee Stock Option Scheme: and
- 16) Recommend to the board, all remuneration, in whatever form, payable to senior management.
- 17) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 18) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

4. Corporate Social Responsibility Committee

Our Company has formed the Corporate Social Responsibility Committee pursuant to Section 135, and other applicable provisions of the Companies Act, 2013 read with rules of the Companies (Corporate Social Responsibility Policy) Rules, 2014 vide Board resolution dated November 30, 2021. The Corporate Social Responsibility Committee comprise the following:

| Name of the Director | Status in Committee | Nature of Directorship |
|----------------------|---------------------|------------------------|
| Ramesh Kumar Agrawal | Chairman | Director |

| | | |
|----------------------|--------|----------------------|
| Chetan Kumar Agrawal | Member | Director |
| Ranjeet Singh Thakur | Member | Independent Director |

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;
3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company from time to time;
4. To Monitor the Corporate Social Responsibility policy of the Company from time to time;
5. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

| Name, Designation & Educational Qualification | Age (Years) | Year of joining | Remuneration paid for F.Y. 2021-22 (in Rs. Lakhs) | Overall experience (in years) | Previous employment |
|--|-------------|-----------------|---|-------------------------------|---|
| Chetan Kumar Agrawal Designation: Chairman & Managing Director Educational Qualification: Bachelor of Engineering Term of office: 5 years w.e.f July 12, 2022 | 36 | 2019 | 6 | 16 | Nil |
| Keshav Kumar Agrawal Designation: Joint Managing Director and Chief Financial Officer Educational Qualification: Chartered Accountant Term of office: 5 years w.e.f July 12, 2022 | 32 | 2019 | 21.66 | 13 | Nil |
| Rahul Relwani Designation: Company Secretary and Compliance Officer Educational Qualification –Member of Institute of Company Secretaries of India Term of office: Appointed with effect from June 07, 2022 | 27 | 2022 | Nil | 1 | G.R. Krishna Ferro Alloys Private Limited |

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Chetan Kumar Agrawal- Please refer to section “Brief Profile of our Directors” beginning on page 121 of this Prospectus for details.

Keshav Kumar Agrawal - Please refer to section “Brief Profile of our Directors” beginning on page 121 of this Prospectus for details.

Rahul Relwani is the Company Secretary and Compliance officer of our Company. He is a qualified Company Secretary from Institute of Company Secretaries of India. He looks after the overall corporate governance and secretarial matters of our Company. He has an experience of 1 year in Corporate & Secretarial compliances. He has served as a Company Secretary from May’21 to June’22 in our Group Company, G.R. Krishna Ferro Alloys Private Limited.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Keshav Kumar Agrawal and Chetan Kumar Agrawal is also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2022.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under:-

| Sr. No. | Name of the KMP's | No. of Shares held |
|---------|----------------------|--------------------|
| 1 | Chetan Kumar Agrawal | 1,47,969 |
| 2 | Keshav Kumar Agrawal | 1,47,969 |
| | Total | 2,95,938 |

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our company belongs.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

The Directors and KMPs of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

| Sr. No. | Name of the Director/KMP | Relationship with other Directors/KMPs |
|---------|--------------------------|--|
| 1. | Chetan Kumar Agrawal | Son of Ramesh Kumar Agrawal and Brother of Keshav Kumar Agrawal. |
| 2. | Ramesh Kumar Agrawal | Father of Chetan Kumar Agrawal and Keshav Kumar Agrawal. |
| 3. | Keshav Kumar Agrawal | Son of Ramesh Kumar Agrawal and Brother of Chetan Kumar Agrawal |

Payment of benefits to officers of Our Company (non-salary related)

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

| Name | Designation (at the time of appointment/Change in designation / Cessation) | Date of Appointment/Change in designation/ Cessation | Reason |
|----------------------|--|--|---------------------------------------|
| Keshav Kumar Agrawal | Appointed as Joint Managing Director | August 17, 2022 | To ensure better Corporate Governance |
| Chetan Kumar Agrawal | Appointed as Chairman & Managing Director | July 12, 2022 | |
| Keshav Kumar Agrawal | Appointed as Chief Financial Officer | July 12, 2022 | |
| Rahul Relwani | Appointed as Company Secretary & Compliance Officer | June 07, 2022 | |

| | | | |
|-----------------|---|-----------------|---------------------------------------|
| Paridhi Agrawal | Cessation as Company Secretary & Compliance Officer | August 31, 2019 | Personal Reason |
| Paridhi Agrawal | Appointed as Company Secretary & Compliance Officer | June 08, 2019 | To ensure better Corporate Governance |

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by the m for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information of the Company – Note Z - Related Party Transactions*" beginning on page 168 of this Prospectus.

Interest in the property of our Company

Our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC except below:

| Sr. No. | Name of Director | Address of Property | Interest and nature of interest |
|---------|----------------------|---|--|
| 1. | Keshav Kumar Agrawal | H No. 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh | The said property has been obtained on rent from Keshav Kumar Agrawal vide Rent agreement dated June 09, 2022 for a period of 11 months at a rent of Rs. 24,000 p.m. |

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/availed by Directors / Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "*Note Z – Related Party Transactions*" page 168 of this Prospectus.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for our employees.

OUR PROMOTERS & PROMOTER GROUP

A. OUR PROMOTERS:



The Promoters of our Company are:

1. Chetan Kumar Agrawal;
2. Keshav Kumar Agrawal;
3. G.R. Sponge and Power Limited (GRSPL); and
4. N.R. Sponge Private Limited (NRSPL)

As on date of this Prospectus, the Promoters, in aggregate, hold 71,93,029 Equity shares of our Company, representing 40.49% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoter's shareholding in our Company, see "*Capital Structure*", on page 53 of this Prospectus.

Detail of our Promoters:

A. Individual Promoters:

| | |
|---|--|
|  | <p>Chetan Kumar Agrawal– Chairman and Managing Director</p> <p>Chetan Kumar Agrawal, aged 35 years, is our individual Promoter and is also the Chairman & Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "Our Management –Brief biographies of Directors" on Page 121.</p> <p>Other ventures of our Promoters - Except as set out in this chapter under heading "Other ventures of our Promoters" and the chapter titled 'Our Management', our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>His permanent account number is AHHPA8733G.</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 53.</p> |
|  | <p>Keshav Kumar Agrawal– CEO and Joint Managing Director</p> <p>Keshav Kumar Agrawal, aged 31 years, is our individual Promoter and is also the CEO & Joint Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "Our Management –Brief biographies of Directors" on page 121.</p> <p>Other ventures of our Promoters - Except as set out in this chapter under heading "Other ventures of our Promoters" and the chapter titled 'Our Management', our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>His permanent account number is ANVPA6280G.</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 53.</p> |

For brief biography of our Individual Promoter, please refer to Chapter titled "*Our Management*" beginning on page 120 of this Prospectus.

B. Corporate Promoters:

a. G.R. Sponge and Power Limited (GRSPL)

G.R. Sponge and Power Limited was originally incorporated on August 20, 1996 as a Public Limited under the provisions of Companies Act 1956 with Registrar of Companies, Chhattisgarh, Raipur. G.R. Sponge and Power Limited is engaged in the manufacturing of Iron and Steel products, Synthetic Slag and Binding wire, steel products and generation of electricity for captive consumption and sale.

Change in control

There has been no change in the control of GRSPL in the last three years from the date of this Prospectus.

| | |
|--------------------------------------|--|
| Brief Description of Business | <p>1. To produce, generate, transmit, transform, store, utilise, Electrical energy, Thermal energy, Bio-power , Bio gas, Producer gas, Coal gas, Natural gas, Hydrogen gas, Gobar gas, Oxygen gas, Nitrogen gas, Fuel gas, other Fuel Gases, and convert the Electricity , ' necessary for the purposes of the business of the Company and to buy or sell to C.S.E. B., N.T.P.C., any other S.E.B. National Grid, Industries, Govt. or, Local Authority, Corporation and Private Consumers,' resulting from the process or ancillary to such Generation, production and making of Electricity, Energy;, or Gases and if required to convert the generated by-products, wastes, effluent and emission into saleable materials like Coke, Ash, Bricks, Char, Briquettes, Charcoal, Tar, Creosote Oils and other chemicals or distilled products and by-products and to otherwise deal with the dispose of the same.</p> <p>For use of all kinds of power to install, establish factory for manufactures, import export Trade deal in all kinds of Iron &Steel Products, Rolled Products , Sponge iron, pigiron, Forged Products, Ferro alloys, induction Furnace, Arc Furnace, Forging Plants Foundries.</p> <p>2. To purchase, acquire, take on lease, rent, hire and to build, construct, operate, carryout equip, improve, work, develop, Administer, manage, maintain, enlarger and pull down, remove, replace rebuilt, renovate , works and convenience of all kinds of infrastructure facilities including roads, highway, bridge, airport, port, rail system, wagon, water supply Projects ,irrigation projects, sanitation and sewerage system and to carry out scientific, research and development and all other Infrastructure facilities</p> |
| PAN | AAACG8765H |
| CIN | U27100CT1996PLC011135 |
| Registered Office | Agrawal Complex, Samta Colony, Raipur, 492001. |

Board of directors of GRSPL

The board of directors of GRSPL as on the date of this Prospectus are as set out below:

| Sr. No. | Name of the Directors | DIN |
|---------|-----------------------|----------|
| 1 | Ramesh Kumar Agrawal | 00748853 |
| 2 | Chetan Kumar Agrawal | 00748916 |
| 3 | Keshav Kumar Agrawal | 02460958 |
| 4 | Ranjeet Singh Thakur | 01634319 |
| 5 | Kanhaiya Lal Jain | 07372565 |

Shareholding Pattern of GRSPL

The shareholding pattern of GRSPL as on date of filing of Prospectus is as follows:

| Sr. No. | Name of the Shareholder | Number of shares of face value of ₹ 10 each | Percentage shareholding (%) |
|---------|---|---|-----------------------------|
| 1 | G.R. Minerals And Industries Private Limited | 32,50,000 | 32.64 |
| 2 | G. R. Metaliks And Industries Private Limited | 27,94,898 | 28.07 |

| | | | |
|----|------------------------------|------------------|------------|
| 3 | Aryabhatt Sales Pvt. Ltd. | 25,95,477 | 26.07 |
| 4 | G.R. Ecotech Private Limited | 4,34,625 | 4.37 |
| 5 | Chetan Kumar Agrawal | 2,32,000 | 2.33 |
| 6 | Ramesh Kumar Agrawal | 2,30,400 | 2.31 |
| 7 | Amita Agrawal | 2,30,000 | 2.31 |
| 8 | Ganpatrai Agrawal & Sons | 1,00,000 | 1.00 |
| 9 | Ramesh Kumar Agrawal (HUF) | 90,000 | 0.90 |
| 10 | Rimple Agrawal | 100 | 0.00 |
| 11 | Binod Kumar Pansari | 100 | 0.00 |
| 12 | S. Satyanarayan | 100 | 0.00 |
| | Total | 99,57,700 | 100 |

Promoters of GRSPL

Currently, G.R. Minerals and Industries Private Limited, G. R. Metaliks and Industries Private Limited, Aryabhatt Sales Pvt. Ltd., G.R. Ecotech Private Limited, Chetan Kumar Agrawal, Ramesh Kumar Agrawal, Amita Agrawal, Ganpatrai Agrawal & Sons, Ramesh Kumar Agrawal (HUF) and Rimple Agrawal are the promoters of the Company.

Details of Corporate Promoters of GRSPL

G.R. Minerals and Industries Private Limited, G. R. Metaliks and Industries Private Limited and Aryabhatt Sales Private Limited are the promoters of GRSPL holding 86,40,375 equity shares constituting of 86.78% shareholding in GRSPL.

The following table set forth details of the shareholding pattern of G.R. Minerals and Industries Private Limited, G. R. Metaliks and Industries Private Limited and Aryabhatt Sales Private Limited as on the date of this prospectus:

| Sr. No. | Name of the Shareholder | No. of the Shares | Percentage (%) of the Shareholding |
|--|---------------------------------------|-------------------|------------------------------------|
| G.R. Minerals and Industries Private Limited | | | |
| 1. | Amita Agrawal | 2,01,000 | 7.55 |
| 2. | Aryabhatt Sales Private Limited | 5,75,000 | 21.61 |
| 3. | Chetan Kumar Agrawal | 2,25,000 | 8.46 |
| 4. | Keshav Kumar Agrawal | 1,34,000 | 5.04 |
| 5. | Ganpatrai Agrawal & Sons | 1,00,000 | 3.76 |
| 6. | Ramesh Kumar Agrawal | 4,26,100 | 16.01 |
| 7. | G.R. Ecotech Private Limited | 7,90,000 | 29.69 |
| 8. | Rimple Agrawal | 1,05,000 | 3.95 |
| 9. | Anushree Agrawal | 1,05,000 | 3.95 |
| | Total | 26,61,100 | 100 |
| G. R. Metaliks and Industries Private Limited | | | |
| 1. | Aryabhatt Sales Private Limited | 66,300 | 22.47 |
| 2. | Ganpatrai Agrawal & Sons | 50 | 0.02 |
| 3. | Ramesh Kumar Agrawal (HUF) | 100 | 0.03 |
| 4. | Chetan Kumar Agrawal | 2,550 | 0.86 |
| 5. | Ganpatrai Agrawal Joint | 100 | 0.03 |
| 6. | Keshav Kumar Agrawal | 1,500 | 0.51 |
| 7. | Ramesh Kumar Agrawal | 31,140 | 10.55 |
| 8. | Rimple Agrawal | 5,625 | 1.90 |
| 9. | Amita Agrawal | 28,285 | 9.59 |
| 10. | G.R.Minerals and Industries Pvt. Ltd. | 31,000 | 10.51 |
| 11. | G.R. Ecotech Pvt. Ltd. | 1,25,400 | 42.50 |
| 12. | Anushree Agrawal | 30 | 0.01 |
| 13. | Megha Agriculture Finance (P) Ltd | 3000 | 1.02 |
| | TOTAL | 2,95,080 | 100 |
| Aryabhatt Sales Private Limited | | | |
| 1. | Chetan Kumar Agrawal | 5,32,510 | 14.60 |
| 2. | Ramesh Kumar Agrawal | 8,09,200 | 22.19 |
| 3. | Amita Agrawal | 6,11,600 | 16.76 |
| 4. | Keshav Kumar Agrawal | 4,32,510 | 11.85 |
| 5. | GR Ecotech Pvt. Ltd. | 12,62,600 | 34.60 |

| | | |
|--------------|------------------|------------|
| TOTAL | 36,48,420 | 100 |
|--------------|------------------|------------|

The board of directors of G.R. Minerals and Industries Private Limited, G. R. Metaliks and Industries Private Limited and Aryabhata Sales Private Limited as on the date of this Prospectus are as under:

G.R. Minerals and Industries Private Limited

1. Chetan Kumar Agrawal
2. Keshav Kumar Agrawal

G. R. Metaliks and Industries Private Limited

1. Sharad Kumar Tibdewal
2. Sappati Satyanarayan

Aryabhata Sales Private Limited

1. Ramesh Kumar Agrawal
2. Chetan Kumar Agrawal

b. N.R. Sponge Private Limited (NRSPL)

Corporate Information

N.R. Sponge Private Limited was originally incorporated on November 15, 2002 as a Private Limited under the provisions of Companies Act 1956 with Registrar of Companies, Chhattisgarh, Raipur. N.R. Sponge Private Limited is engaged in the manufacturing of Sponge Iron and Generation of Power.

Change in control

Except as disclosed below, there has been no change in the control of NRSPL in the last three years from the date of this Prospectus:

Ishwar Chand Jindal having DIN: 00067166 had resigned from the office w.e.f. September 30, 2019.

| | |
|--------------------------------------|--|
| Brief Description of Business | <ol style="list-style-type: none"> 1. To carry on the business of producers & manufacture of all kinds of Sponge Iron, from iron ore, coal, gas or otherwise, Iron & Steel castings, billets, ingots, slabs, wheels, gear boxes, railways Equipments, tie plate, steel & brass screws & nuts & bolts, iron founders, filters, steel makers, wire drawers, manufactures of nails, manufacture by forging process of all railway materials, tools, implements, machinery, machinery parts, diesel engines & its parts and metal ware of any description, ferrous & non-ferrous metal founders, metal workers boiler makes & welders, Iron & Steel re-rollers for production of all kinds of light & medium section angles, flats, squares, rounds, bars, circles, sheets, strips, pipes, tubes, joists, channels etc. 2. To carry on the business of converting waste gas, heat and other energy out of production of sponge iron or by any other method production, generation, transmission or sale of power. 3. To carry on the business of forging, processing, fabricating of ferrous and non-ferrous metal & other articles & any product mix & composition of them, mechanical engineers, manufacturer of machinery & implements of all kinds, toolmakers, brass founders, metal works, mill wrights, Iron & Steel converter, Smiths, importers, exporters of & dealers in forgings, press, structural & rolling works of all kinds. |
| CIN | U27102CT2002PTC015388 |
| PAN | AABCN7720L |
| Registered Office | Siltara Industrial Growth Centre Phase-II, Raipur 493111 |

Board of directors of NRSPL

The board of directors of NRSPL as on the date of this Prospectus are as set out below:

| Sr. No. | Name of the Directors | DIN |
|---------|-----------------------|----------|
| 1 | Ramesh Kumar Agrawal | 00748853 |
| 2 | Chetan Kumar Agrawal | 00748916 |
| 3 | Keshav Kumar Agrawal | 02460958 |
| 4 | Ranjeet Singh Thakur | 01634319 |
| 5 | Amita Agrawal | 00748820 |
| 6 | Jyotish Chandra Das | 02487340 |

Shareholding Pattern of NRSPL

The shareholding pattern of NRSPLs on date of filing of Prospectus is as follows:

| Sr. No. | Name of the Shareholder | Number of shares of face value of ₹ 10 each | Percentage shareholding (%) |
|---------|---|---|-----------------------------|
| 1 | G.R. Sponge and Power Limited | 18,85,020 | 88.02 |
| 2 | G.R. Ecotech Private Limited | 2,49,999 | 11.68 |
| 3 | Chetan Kumar Agrawal | 1,000 | 0.05 |
| 4 | Ramesh Kumar Agrawal | 1,000 | 0.05 |
| 5 | Keshav Kumar Agrawal | 1,000 | 0.05 |
| 6 | I.C. Jindal | 1,100 | 0.05 |
| 7 | Ku Nishita Jindal (Minor Shri IC Jindal) | 1,100 | 0.05 |
| 8 | Rajat Jindal | 1,100 | 0.05 |
| | Total | 21,41,319 | 100 |

Promoters of NRSPL

Currently, G.R. Sponge and Power Limited, G.R. Ecotech Private Limited, Chetan Kumar Agrawal, Ramesh Kumar Agrawal and Keshav Kumar Agrawal are the promoters of the Company.

Details of Corporate Promoters of NRSPL

G.R. Sponge and Power Limited and G.R. Ecotech Private Limited are the promoters of NRSPL holding 21, 35,019 equity shares constituting of 99.71% shareholding in NRSPL.

The following table set forth details of the shareholding pattern of G.R. Sponge and Power Limited and G.R. Ecotech Private Limited as on the date of this prospectus:

| Sr. No. | Name of the Shareholder | No. of the Shares | Percentage (%) of the Shareholding |
|--------------------------------------|---|-------------------|------------------------------------|
| G.R. Sponge and Power Limited | | | |
| 1. | G.R. Minerals And Industries Private Limited | 32,50,000 | 32.64 |
| 2. | G. R. Metaliks And Industries Private Limited | 27,94,898 | 28.07 |
| 3. | Aryabhatt Sales Pvt. Ltd. | 25,95,477 | 26.07 |
| 4. | G.R. Ecotech Private Limited | 4,34,625 | 4.37 |
| 5. | Chetan Kumar Agrawal | 2,32,000 | 2.33 |
| 6. | Ramesh Kumar Agrawal | 2,30,400 | 2.31 |
| 7. | Amita Agrawal | 2,30,000 | 2.31 |
| 8. | Ganpatrai Agrawal & Sons | 1,00,000 | 1.00 |
| 9. | Ramesh Kumar Agrawal (HUF) | 90,000 | 0.90 |
| 10. | Rimple Agrawal | 100 | 0.00 |
| 11. | Binod Kumar Pansari | 100 | 0.00 |
| 12. | S. Satyanarayan | 100 | 0.00 |
| | TOTAL | 99,57,700 | 100 |
| G.R. Ecotech Private Limited | | | |
| 1. | G.R. Mines and Minerals Pvt. Ltd. | 1,84,500 | 41.07 |
| 2. | G.R. Ores and Fuels LLP | 1,94,700 | 43.34 |
| 3. | G.R. Sponge and Power Ltd. | 70,000 | 15.58 |
| | TOTAL | 4,49,200 | 100 |

The board of directors of G.R. Sponge and Power Limited and G.R. Ecotech Private Limited as on the date of this Prospectus are as under:

G.R. Sponge and Power Limited

1. Ramesh Kumar Agrawal
2. Chetan Kumar Agrawal
3. Keshav Kumar Agrawal
4. Ranjeet Singh Thakur
5. Kanhaiya Lal Jain

G.R. Ecotech Private Limited

1. Chetan Kumar Agrawal
2. Keshav Kumar Agrawal

Confirmations/Declarations

In relation to our Individual Promoter, our Company confirms that the PAN, bank account number, passport number, Aadhaar card number and driving license number shall be submitted to NSE at the time of filing of this Prospectus.

In relation to our Corporate Promoters, Our Company confirms that the PAN, bank account numbers, the company registration numbers and addresses of the registrar of companies where our Corporate Promoters are registered, shall be submitted to the NSE at the time of filing of this Prospectus.

Experience of our Promoters

Our Promoters have adequate experience in the business activities undertaken by our Company.

Change in control of our Company

Chetan Kumar Agrawal, Keshav Kumar Agrawal, G.R. Sponge and Power Limited and N.R. Sponge Private Limited are not the original promoters of our Company, In June, 2019 the control and management of our Company were acquired by way of transfer of Shares by GR Group of Industries, the entire Equity Share capital of our Company constituting 78,94,562 equity shares of the Face Value of Rs. 10 each and control in and of our Company pursuant to the Share Purchase Agreement dated March 14, 2019, April 12, 2019 and June 17, 2019 for an aggregate sum of Rs. 20,50,00,000.

Interest of our Promoters

Interest in promotion and shareholding of Our Company:

Our Promoter are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by him and his relatives. As on the date of this Prospectus, our Promoters, Chetan Kumar Agrawal, Keshav Kumar Agrawal, G.R. Sponge and Power Limited (GRSPL) and N.R. Sponge Private Limited (NRSPL) holds 71,93,029 Equity Shares in our Company i.e. 40.49 % of the pre issue paid up Equity Share Capital of our Company. Our Promoter may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details regarding the shareholding of our Promoters and other interests in our Company, please refer the Sections entitled “Capital Structure”, “Our Management” and “Restated Financial Information-Note Z –Related Party Transactions” on page 168 respectively.

Interest in the property, land, construction of building and supply of machinery of Our Company:

Our Promoters have no interest in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Other Interests in our Company

For transactions in respect of loans and other monetary transactions entered in past please refer Note Zon “Related Party Transactions” on page 168 forming part of “Financial Information of the Company” of this Prospectus.

Further, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares, as on the date of this Prospectus. However, our promoter may be interested to the extent of personal guarantees given by them in favour of the Company,

for the details of Personal Guarantee given by Promotertowards Financial facilities of our Company please refer to “*Statement of Financial Indebtedness*” and ““*Financial Information of Our Company*” on page 177 and 142 respectively of this Prospectus.

Payment or Benefits to Our Promoters and Promoter Group during the last 2 years:

For details of payments or benefits paid to Our Promoters and Promoter Group, please refer to the paragraph “*Compensation of our Chairman*” in the chapter titled “*Our Management*” beginning on page 120 also refer Note Z on “*Related Party Transactions*” on page 168 forming part of “*Financial Information of the Company*” and Paragraph on “*Interest of Promoter*” in chapter titled “*Our Promoters and Promoter Group*” on page 133 of this Prospectus.

Companies/Firms with which our Promoter have disassociated in the last (3) three years

Except as mentioned below, our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Prospectus.

| Sr. No | Name of Disassociated entities | Name of Promoter(s) |
|--------|---|---|
| 1. | Vikruti Infrastructures Private Limited | Chetan Kumar Agrawal was resigned from the post of Director from Vikruti Infrastructures Private Limited w.e.f. 22.10.2019. |

Other ventures of our Promoter

Save and except as disclosed in this section titled “*Our Promoter & Promoter Group*” beginning on page 133 of this Prospectus, there are no ventures promoted by our Promoter in which they have any business interests/ other interests.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 188 of this Prospectus.

Experience of Promoter in the line of business

Our Promoters, Chetan Kumar Agrawal and Keshav Kumar Agrawal have an experience of over 16 years and 13 years respectively in the steel industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “*Note Z Related Party Transactions*” on page 168 of this Prospectus.

Except as stated in “*Note Z- Related Party Transactions*” beginning on page 168 of this Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

B. OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter) are as follows:

| Relationship with Promoter | Chetan Kumar Agrawal | Keshav Kumar Agrawal |
|----------------------------|----------------------|----------------------|
| Father | Ramesh Kumar Agrawal | Ramesh Kumar Agrawal |
| Mother | Amita Agrawal | Amita Agrawal |
| Spouse | Anushree Agrawal | Rimple Agrawal |
| Brother | Keshav Kumar Agrawal | Chetan Kumar Agrawal |
| Sister | Radhika Agrawal | Radhika Agrawal |
| Son | Vivaansh Agrawal | Yohaam Agrawal |

| | | |
|------------------|-----------------|--------------------|
| Daughter | Kenisha Agrawal | N.A. |
| Spouse's Father | Mohit Bharuka | Om Prakash Ramnani |
| Spouse's Mother | Kiran Bharuka | Menu Ramnani |
| Spouse's Brother | Ankit Bharuka | Daksh Ramnani |
| Spouse's Sister | N.A. | N.A. |

2. Corporate Entities or Firms forming part of the Promoter Group

- a) G. R. Metaliks and Industries Private Limited
- b) Aryabhatt Sales Pvt Ltd
- c) G.R. Mines and Minerals Private Limited
- d) G.R. Silico Alloys Private Limited
- e) G.R. Minerals and Industries Private Limited
- f) G.R. Ores and Fuels LLP
- g) Maa Danteshwari Pellet and Steel Private Limited
- h) Nehika Enterprises LLP
- i) Essee Packaging Private Limited
- j) Ashoka Tincans Private Limited
- k) Radiant Containers Private Limited
- l) G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited)
- m) G.R. Ecotech Private Limited
- n) G.R. Integrated Steel Private Limited
- o) Vikruti Infrastructures Private Limited.

Partnership Firm

- p) Ramesh Steel Industries

HUFs

- q) Ramesh Kumar Agrawal HUF
- r) Chetan Agrawal HUF
- s) Keshav Kumar Agrawal HUF

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The Shareholders of our Company have the right to decrease, and not to increase the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

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

Our Company has not declared any dividend on the Equity Shares in the last three financial years and for the period between March 31, 2022 to the date of the filing of this Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI – FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL INFORMATION INDEPENDENT AUDITOR’S REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors,
Chaman Metallics Limited
A-26, M.I.D.C. Tadali Growth Centre,
Tadali, Chandrapur – 442406 (Maharashtra)

Dear Sirs,

1. We have examined the attached Restated Financial Statements of **Chaman Metallics Limited**, comprising the Restated Statement of Assets and Liabilities as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period ended September 30, 2022 and the Financial years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 3rd December, 2022 for the purpose of inclusion in the Draft Prospectus/ Prospectus (“Draft Prospectus/Prospectus”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME 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 Prospectus/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act,(ICDR) Regulations and the Guidance Note.
3. We, **M/s O.P. Singhania & Co.** Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and holds the peer review certificate dated 06.01.2020 valid till 26.11.2022. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.
4. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 10.8.2022 in connection with the proposed IPO 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.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the period ended 30thSeptember, 2022, 31st March 2022, 31st March 2021 and 31stMarch 2020 which has been

approved by the Board of Directors. The financial statements of the Company for the period/ year ended September 30, 2022 and the financial years ended 31st March 2022, 31st March 2021 and 31st March 2020 has been audited by us.

6. For the purpose of our examination, we have relied on:

a) Auditors' reports issued by us dated 08.11.2022, 12.07.2022, 04.09.2021 and 23.11.2020, on the financial statements of the Company as at and for the period ended 30th September, 2022, 31st March 2022, 31st March 2021 and 31st March 2020 as referred in Paragraph 5 above;

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information have been prepared:

a) after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years/period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and

b) in accordance with the Act, ICDR Regulations and the Guidance Note.

2. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors on 03.12.2022 for the years/period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020.

Annexure V - Notes to the Restated Summary Financial Information;

- a) Restated Statement of Share Capital, Reserves and Surplus as appearing in Note A to this report;
- b) Restated Statement of Long Term Borrowings as appearing in Note B to this report;
- c) Restated Statement of principal terms of Secured Loans and Assets charged as security as appearing in Note AE to this report;
- d) Statement of terms & conditions of unsecured loans as appearing In Note AF to this report;
- e) Restated Statement of Deferred Tax (Assets) / Liabilities as appearing in Note C to this report;
- f) Restated Statement of Long Term Provisions as appearing in Note D to this report
- g) Restated Statement of Short term borrowings as appearing in Note E to this report;
- h) Restated Statement of Trade Payables as appearing in Note F to this report;
- i) Restated Statement of Other Current Liabilities as appearing in Note G to this report;
- j) Restated Statement of Short Term Provisions as appearing in Note H to this report;
- k) Restated Statement of Property, plant & equipment and intangible assets as appearing in Note I to this report;
- l) Restated Statement of Capital Work in Progress as appearing in Note J to this report;
- m) Restated Statement of Non-Current Investments and Current Investments as appearing in Note K to this report;
- n) Restated Statement of Long term Loans and Advances as restated as appearing in Note L to this report;
- o) Restated Statement of Other Non-Current Assets and Other Current Assets as appearing in Note M to this report;
- p) Restated Statement of Inventories as appearing in Note N to this report;
- q) Restated Statement of Trade Receivables as appearing in Note O to this report;
- r) Restated Statement of Cash and Bank Balances as appearing in Note P to this report;
- s) Restated Statement of Short term Loans and Advances as restated as appearing in Note Q to this report;
- t) Restated Statement of Revenue from Operations as appearing in Note R to this report;
- u) Restated Statement of Other Income as appearing in Note S to this report;
- v) Restated Statement of Raw Material Consumption as appearing in Note T to this report;
- w) Restated Statement of Change in Inventories as appearing in Note U to this report;
- x) Restated Statement of Employee Benefit Expenses as appearing in Note V to this report;
- y) Restated Statement of Finance Cost as appearing in Note W to this report;
- z) Restated Statement of Depreciation & Amortization as appearing in Note X to this report ;
- aa) Restated Statement of Other Expenses as appearing in Note Y to this report ;
- bb) Restated Statement of Related Party Transactions as appearing in Note Z to this report;
- cc) Restated Statement of Tax Shelter as appearing in Note AA to this report;
- dd) Capitalisation Statement as appearing in Note AB to this report ;

- ee) Restated Statement of Mandatory Accounting Ratios as appearing in Note AC to this report;
 - ff) Restated Statement of Ratio Analysis and Its Element as appearing in Note AD to this report;
 - gg) Restated Statement of Contingent Liabilities as appearing in Note AG to this report ;
 - hh) Restated Statement of Reconciliation of Equity and Reserves as appearing in Note AH to this report.
8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.
 9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus/ Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai 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.
 12. In our opinion, the above financial information contained in Annexure I to Annexure V of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

For O P Singhanian & Co.
Chartered Accountants
ICAI FRN : 002172C

Sd/-
Sanjay Singhanian
Partner
M. No. 076961

Place : Raipur
Date :03.12.2022

ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in lakhs)

| PARTICULARS | | Notes | As at the Year/Period ended | | | |
|-------------------------------|---|----------|-----------------------------|-----------------|-----------------|-----------------|
| | | | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| EQUITY AND LIABILITIES | | | | | | |
| 1. | Shareholders' Funds | | | | | |
| | a. Share Capital | A | 1,776.28 | 789.46 | 789.46 | 789.46 |
| | b. Reserves & Surplus | A | 2,696.89 | 3,018.48 | 2,083.83 | 1,560.75 |
| | | | 4,473.17 | 3,807.94 | 2,873.29 | 2,350.21 |
| 2. | Non-Current Liabilities | | | | | |
| | a. Long Term Borrowings | B | 614.46 | 1,475.70 | 561.63 | 1,475.64 |
| | b. Deferred Tax Liabilities (Net) | C | 374.81 | 328.83 | 8.38 | - |
| | c. Long Term Provisions | D | - | 3.96 | 1.86 | 1.13 |
| | | | 989.27 | 1,808.49 | 571.87 | 1,476.77 |
| 3. | Current Liabilities | | | | | |
| | a. Short Term Borrowings | E | 993.72 | 1,040.11 | 831.18 | 500.53 |
| | b. Trade Payables | F | | | | |
| | (A) outstanding dues of micro enterprises and small enterprises; and | | 1.38 | 2.15 | 18.99 | 3.85 |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 1,987.04 | 495.39 | 1,212.12 | 846.89 |
| | c. Other Current Liabilities | G | 519.41 | 224.50 | 364.94 | 221.13 |
| | d. Short Term Provisions | H | 121.53 | 0.01 | 0.01 | 0.00 |
| | | | 3,623.08 | 1,762.16 | 2,427.24 | 1,572.41 |
| | TOTAL | | 9,085.52 | 7,378.59 | 5,872.40 | 5,399.39 |
| ASSETS | | | | | | |
| 1. | Non-Current Assets | | | | | |
| | a. Property, Plant and Equipment and Intangible assets | I | | | | |
| | I) Property, Plant and Equipment | | | | | |
| | (i) Gross Block | | 5,168.09 | 5,040.97 | 4,787.56 | 4,687.16 |
| | (ii) Depreciation | | 2,474.32 | 2,388.45 | 2,217.20 | 2,065.12 |
| | (iii) Net Block | | 2,693.76 | 2,652.52 | 2,570.36 | 2,622.04 |
| | II) Intangible Assets | | 1.19 | 1.38 | 1.77 | 2.16 |
| | III) Capital Work-in-Progress | J | 223.54 | 223.54 | 221.54 | 221.54 |
| | | | 2,918.49 | 2877.44 | 2793.67 | 2,845.73 |
| | b. Non-Current Investment | K | 2.10 | 99.97 | 2.10 | 37.14 |
| | c. Deferred Tax Assets (Net) | C | - | - | - | 163.31 |
| | d. Long Term Loans and Advances | L | 566.62 | 409.09 | 8.79 | 4.90 |
| | e. Other Non-Current Assets | M | 281.33 | 289.16 | 118.96 | 100.38 |
| | | | 850.05 | 798.22 | 129.85 | 305.73 |
| 2. | Current Assets | | | | | |
| | a. Current Investments | K | 285.14 | - | - | - |
| | b. Inventories | N | 2,176.68 | 1,832.61 | 1,634.38 | 1,608.91 |
| | c. Trade Receivables | O | 1,180.51 | 1,194.31 | 458.17 | 265.98 |
| | d. Cash and bank balances | P | 77.60 | 25.36 | 181.34 | 243.77 |
| | e. Short-Term Loans and Advances | Q | 1,584.11 | 619.20 | 657.54 | 126.47 |
| | f. Other Current Assets | M | 12.94 | 31.45 | 17.45 | 2.80 |
| | | | 5,316.98 | 3,702.93 | 2,948.88 | 2,247.93 |
| | TOTAL | | 9,085.52 | 7,378.59 | 5,872.40 | 5,399.39 |

ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in lakhs)

| PARTICULARS | | Note | For the Year/ period ended | | | |
|-------------|---|----------|----------------------------|------------------|------------------|-----------------|
| | | | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| 1 | Revenue From Operations | R | 11,145.56 | 18,486.79 | 14,056.08 | 5,801.36 |
| 2 | Other Income | S | 36.87 | 59.53 | 19.81 | 35.78 |
| | Total Income (1+2) | | 11,182.43 | 18,546.32 | 14,075.89 | 5,837.14 |
| 3 | Expenditure | | | | | |
| | a. Raw Material Consumption | T | 9,359.55 | 15,208.41 | 11,980.11 | 5,075.50 |
| | b. Change in inventories of finished goods, work in progress and stock in trade | U | (319.18) | 169.50 | (105.68) | (161.88) |
| | c. Employee Benefit Expenses | V | 109.47 | 135.35 | 92.23 | 97.94 |
| | d. Finance Cost | W | 98.91 | 189.46 | 208.44 | 83.41 |
| | e. Depreciation and Amortisation Expenses | X | 86.06 | 171.64 | 152.47 | 135.23 |
| | f. Other Expenses | Y | 954.13 | 1,416.86 | 1,006.24 | 788.36 |
| | | | | | | |
| 4 | Total Expenditure 3(a) to 3(f) | | 10,288.94 | 17,291.22 | 13,333.81 | 6,018.55 |
| 5 | Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4) | | 893.49 | 1,255.10 | 742.08 | (181.42) |
| 6 | Exceptional and Extra-ordinary items | | - | - | 47.32 | - |
| 7 | Profit/(Loss) Before Tax (5-6) | | 893.49 | 1,255.10 | 694.76 | (181.42) |
| 8 | Tax Expense: | | | | | |
| | a. Tax Expense for Current Year/ period | | 165.77 | - | - | - |
| | b. Deferred Tax | C | 45.98 | 320.45 | 171.69 | (550.88) |
| | Net Current Tax Expenses | | 211.75 | 320.45 | 171.69 | (550.88) |
| 9 | Profit/(Loss) for the Year (7-8) | | 681.74 | 934.65 | 523.07 | 369.46 |

ANNEXURE III
RESTATED CASH FLOW STATEMENT

(Rs. in lakhs)

| PARTICULARS | For the Year/Period ended | | | |
|--|---------------------------|-----------------|-----------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| A) Cash Flow From Operating Activities : | | | | |
| Net Profit before tax | 893.49 | 1,255.10 | 694.76 | (181.42) |
| Adjustment for : | | | | |
| Depreciation and amortization | 86.06 | 171.64 | 152.47 | 135.23 |
| Interest Paid | 90.21 | 189.46 | 208.44 | 83.41 |
| Interest Income | (13.80) | (24.41) | (15.91) | (11.80) |
| Profit on sale of Investments | (0.25) | 0.12 | (3.36) | - |
| Provision for Gratuity | - | 2.11 | 0.73 | 1.14 |
| Profit on sale of property, plant & equipment | - | - | - | (1.83) |
| Operating profit before working capital changes | 1,055.72 | 1,594.02 | 1,037.13 | 24.72 |
| Changes in Working Capital | | | | |
| (Increase)/decrease in inventories | (344.07) | (198.24) | (25.47) | (1,417.24) |
| (Increase)/decrease in trade receivables | 13.81 | (736.14) | (192.20) | (134.16) |
| (Increase)/decrease in short-term loans and advances | (964.92) | 38.35 | (524.85) | (120.40) |
| (Increase)/decrease in long-term loans and advances | (157.54) | (484.20) | (8.42) | (31.98) |
| (Increase)/decrease in short-term other assets | 18.50 | 81.87 | (14.66) | (1.39) |
| (Increase)/decrease in long-term other assets | (26.54) | (0.61) | - | - |
| Increase/(decrease) in current liabilities and provision | 1,781.55 | (874.98) | 538.06 | 1,031.39 |
| Cash generated from operations | 1,376.52 | (579.93) | 809.60 | (649.07) |
| Taxes /(Refund) Paid (NET) | (44.24) | (11.97) | (1.84) | 4.21 |
| Net cash flow from operating activities (A) | 1,332.27 | (591.90) | 807.76 | (644.85) |
| B) Cash Flow From Investing Activities : | | | | |
| Purchase of property, plant and equipment | (127.11) | (255.41) | (100.40) | (480.93) |
| Proceeds from disposal of property, plant & equipment | - | - | - | 3.00 |
| Proceeds from sale of Non-current investments | (187.02) | (97.99) | 38.40 | - |
| Deposit with bank with maturity for more than three months | (15.90) | (16.09) | (52.95) | (122.52) |
| Interest received | 13.80 | 24.41 | 15.91 | 11.81 |
| Net cash flow from investing activities (B) | (316.23) | (345.08) | (99.04) | (588.64) |
| C) Cash Flow From Financing Activities : | | | | |
| Expenses related to bonus issue | (16.51) | - | - | - |
| Proceeds from/(Repayment of) long-term borrowings (net) | (861.23) | 914.05 | (914.01) | 886.33 |
| Proceeds from short-term borrowings (net) | (46.39) | 208.93 | 316.76 | 500.53 |
| Finance Cost | (89.93) | (188.49) | (208.44) | (83.41) |
| Net cash flow from financing activities (C) | (1,014.07) | 934.49 | (805.68) | 1,303.46 |
| Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C) | 1.97 | (2.48) | (96.96) | 69.96 |
| Cash equivalents at the beginning of the year | 25.36 | 27.84 | 124.80 | 54.84 |
| Cash equivalents at the end of the year | 27.33 | 25.36 | 27.84 | 124.80 |

Notes:

1.

| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|--------------|--------------|--------------|---------------|
| Component of Cash and Cash equivalents | | | | |
| Cash on hand | 5.98 | 5.61 | 4.23 | 1.95 |
| Balance With banks | | | | |
| in current accounts | 21.35 | 19.75 | 23.61 | 75.12 |
| in deposit accounts (against overdraft) | - | - | - | 52.05 |
| Less: overdraft facility from bank | - | - | - | 4.32 |
| Total | 27.33 | 25.36 | 27.84 | 124.80 |

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.
3. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.

ANNEXURE – IV
SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL INFORMATION

COMPANY OVERVIEW

Chaman Metallics Limited was incorporated on November 10, 2003 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. The Company's registered office is situated at A-26 M.I.D.C. Tadali Growth Centre Tadali, Maharashtra 442406. The company is primarily involved in the manufacturing and sale of Sponge Iron.

I. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Restated Statement of Assets and Liabilities (Annexure I) of the company as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the period ended September 30, 2022 and the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 (hereinafter collectively referred to as "**Restated Financial Information**") have been extracted by the management from the audited financial statements for the period/year ended September 30, 2022, March 31, 2022, 2021, and 2020, approved by the respective Board of Directors of the companies.

These 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 prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B) USE OF ESTIMATES

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and judgments that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period for the periods presented. Management believes that the estimates used like Net realizable value of Inventories etc. in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

1. Revenue recognition

Sale of Goods:-

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer which generally coincides with the dispatch/delivery of goods to customers and where there is a reasonable certainty of acceptance of goods by the customer.

Goods & Service Tax are not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2. Property, plant and equipment

Property, plant and equipment have been stated at cost of acquisition inclusive of expenses directly attributable / related to the acquisition/ construction/erection of such assets. GST and other applicable taxes paid on acquisition of property, plant and equipment are capitalized to the extent not available/ utilizable as input tax credit under GST or other relevant law in force.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Capital Work in Progress

Expenditure incurred on assets under construction is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost directly attributable to projects under construction includes cost of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

3. IMPAIRMENT

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

4. INVENTORIES

Inventories are valued at lower of cost and net realizable value, after providing for obsolesces, if any.

Cost of stores & consumables are computed on FIFO basis and cost of raw materials and finished goods are computed on Weighted average basis.

Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

The by-products are valued at net realizable value.

5. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

The Company has not entered into any derivative financial instruments or hedge accounting for the period covered in the restated financial statements.

6. FOREIGN EXCHANGE TRANSACTIONS

The functional currency of the Company is Indian Rupee. The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions. The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss. Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss. In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognized as income or expenses over the life of the contract.

The Company has not entered into any foreign exchange transactions for the period covered in the restated financial statements.

7. CASH FLOW STATEMENT

Cash Flow Statement is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard. For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand and other highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

9. INCOME TAX

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authority in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where company operate.

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets recognized only when there is a reasonable certainty of their realization.

10. EARNINGS PER SHARE

Basis of earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive equity shares.

11. PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the Company. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized or disclosed in the financial statements.

12. CASH & CASH EQUIVALENTS

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

13. SEGMENT REPORTING

Company is operating under a single segment

14. EMPLOYEE BENEFITS

Short Term Employee Benefits

The short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is made.

Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

II. NOTES TO RESTATED SUMMARY STATEMENTS:

The financial statements for the year ended on 31 March 2020, 2021 and 2022 and for the period ended September 30, 2022 are prepared as per Schedule III of the Companies Act, 2013: -

1. A disclosure for a contingent liability is usually reported in the notes to restated financial statements when there is a possible obligation that may, require an outflow of the Company's resources. The same are already reported in the Note –AG of the enclosed restated financial statements.

2. Disclosure under Micro, Small and Medium Enterprises Development are already reported Act, 2006, in the Note –F of the enclosed restated financial statements.

3. Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note –Z of the enclosed restated financial statements.

4. Deferred Tax liability/Asset are already reported in the Note –C of the enclosed restated financial statements.

5. Directors' Remuneration:

(Rs. in lacs)

| Particulars | For the period ended 30.09.2022 | 2021-22 | 2020-21 | 2019-20 |
|--|---------------------------------|--------------|--------------|--------------|
| Directors' Remuneration (including sitting fees) | 31.60 | 18.60 | 04.00 | 00.00 |
| Total | 31.60 | 18.60 | 04.00 | 00.00 |

6. Auditors' Remuneration:

(Rs. in lacs)

| Particulars | For the Year/period Ended | | | |
|----------------------------|---------------------------|--------------|--------------|--------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| a. As Auditors | | | | |
| Statutory & Tax Audit Fees | 1.00 | 02.50 | 02.50 | 02.00 |
| Total | 1.00 | 02.50 | 02.50 | 02.00 |

7. Earnings per Share:

(Amt. in Rs.)

| Particulars | For the Year/period Ended |
|-------------|---------------------------|
|-------------|---------------------------|

| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|-------------|-------------|-------------|-------------|
| A. Total Number of equity shares outstanding at the end of the year | 78,94,562 | 78,94,562 | 78,94,562 | 78,94,562 |
| B. Weighted average number of equity shares outstanding during the year | 1,77,62,764 | 1,77,62,764 | 1,77,62,764 | 1,77,62,764 |
| C. Net profit after tax available for equity shareholders (excluding exceptional and extraordinary items) | 681.74 | 934.65 | 523.07 | 369.40 |
| D. Basic and Diluted earnings per share (Rs.) (c/b) | 3.84 | 5.26 | 2.94 | 2.08 |

The Company has allotted 98,68,202 equity shares allotted in the ratio of 5:4 to the shareholders on August 17, 2022 has been considered. Thus, the total 98,68,202 equity shares have been considered while deriving EPS of the Company retrospectively from F.Y. 2019-20 onwards.

8. Figures have been rearranged and regrouped wherever practicable and considered necessary.

9. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

10. The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

11. Realizations

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

12. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

13. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest lacs. Figures in brackets indicate negative values.

14. Exceptional and Extra-ordinary items

Amount in respect of exceptional and extra-ordinary items have been separately disclosed in the restated financial statements which related to the period of F.Y. 2020-21 in respect of a fire broke out in the plant premise on 14-May-2020, due to which certain quantity of stock of coal has been burnt/lost. The losses net off insurance claim, amounting to Rs. 47.32 lakhs has been shown as extra-ordinary items in the statement of profit and loss.

15. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements

There has been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2019-20, 2020-21 and 2021-22 and for the period ended 30 September, 2022 which requires adjustments in restated financial statements.

16. Material Adjustments

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Schedule III and Accounting Standards.

Statement of Adjustments in the financial statements is presented here below:

RECONCILIATION OF RESTATED PROFIT:

(Rs. in Lakhs)

| Adjustments for | 30/09/2022 | 2021-22 | 2020-21 | 2019-20 |
|--|---------------|---------------|---------------|---------------|
| Net profit/(Loss) after Tax as per Audited Profit & Loss Account | 681.74 | 818.95 | 518.69 | 361.47 |
| Adjustments for: | | | | |
| Add: Tax Related to Earlier Year | - | 83.90 | 4.38 | 7.99 |
| Add: Advances Written off | - | 31.80 | | |
| Net Profit/ (Loss) After Tax as Restated | 681.74 | 934.65 | 523.07 | 369.46 |

1. Taxation has been adjusted for Items like Income Tax related to Earlier Years and Mat Credit Aailed.
2. Advance Written Off which belongs to prior to F.Y. 2019-20, written off in F.Y. 2021-22 thus the same has been restated.

The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below:-

RESTATED SUMMARY STATEMENT OF RECONCILIATION OF EQUITY AND RESERVES

(Rs. in Lakhs)

| Particulars | For the period ended September 30, 2022 | For the Year Ended | | |
|---|---|--------------------|-----------------|-----------------|
| | | 31-Mar-22 | 31-Mar-21 | 31-Mar-20 |
| Equity and Reserves as per Audited Balance sheet | 4473.17 | 3,807.94 | 2,988.99 | 2,470.28 |
| Adjustments for: | | | | |
| MAT Credit Entitlement of earlier year | - | - | (83.90) | (83.90) |
| Advance given to Supplier Written Off | - | - | (31.80) | (31.80) |
| TDS Receivable of earlier year Written Off | - | - | - | (4.38) |
| Equity and Reserves as per Re-stated Balance sheet | 4,473.17 | 3,807.94 | 2,873.29 | 2,350.21 |

ANNEXURE V - NOTES TO THE RESTATED FINANCIAL INFORMATION

NOTE A –RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Rs. in Lakhs, Except Share Data)

| Particulars | As at | | | |
|---|-----------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Share Capital | | | | |
| Authorised Share Capital | | | | |
| Equity shares of Rs.10 each | 2,50,00,000 | 80,00,000 | 80,00,000 | 80,00,000 |
| Equity Share Capital | 2,500.00 | 800.00 | 800.00 | 800.00 |
| | | | | |
| Issued, Subscribed and Paid up Share Capital | | | | |
| Equity Shares of Rs. 10 each fully paid up | 1,77,62,764 | 78,94,562 | 78,94,562 | 78,94,562 |
| Share Capital (Rs. In lacs) | 1776.28 | 789.46 | 789.46 | 789.46 |
| Total | 1,776.28 | 789.46 | 789.46 | 789.46 |

| Reserves and Surplus | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|--|-----------------|-------------------|-------------------|-------------------|
| Securities Premium (Balance as per last financial statements) | 4114.74 | 4,114.74 | 4,114.74 | 4,114.74 |
| Less: Utilized for bonus share issue | (986.82) | - | - | - |
| Less: Expense related to bonus issue | (16.51) | - | - | - |
| Total (A) | 3,111.41 | 4,114.74 | 4,114.74 | 4,114.74 |
| Surplus in Profit and Loss account | | | | |
| Balance as per the last financial statements | (1,096.26) | (2,030.91) | (2,553.99) | (2,923.45) |
| Profit for the Year | 681.74 | 934.65 | 523.07 | 369.46 |
| Total (B) | (414.51) | (1,096.26) | (2,030.92) | (2,553.99) |
| Balance as at the end of Financial Year (A+B) | 2,696.89 | 3,018.48 | 2,083.83 | 1,560.75 |

1. Terms/rights attached to equity shares:
 - i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/- . Each holder of equity shares is entitled to one vote per share
 - ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. Company does not have any Revaluation Reserve
4. The reconciliation of the number of Equity shares outstanding as at: -

| Particulars | As at, | | | |
|-----------------------------------|-------------|------------|------------|------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Number of shares at the beginning | 78,94,562 | 78,94,562 | 78,94,562 | 78,94,562 |
| Add: Bonus Share Issued | 98,68,202 | - | - | - |
| Add: Fresh Issue of shares | - | - | - | - |
| Number of shares at the end | 1,77,62,764 | 78,94,562 | 78,94,562 | 78,94,562 |

5. Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Bonus shares are issued during the period in the ratio of 5:4. The total number of shares has been increased due to issuance of bonus shares in August 2022.

| Particulars | 30.09.2022 |
|-------------------------------|------------|
| Number of bonus shares issued | 98,68,202 |

6. The detail of shareholders holding more than 5% of Shares: -

| Name of Shareholders | As at | | | |
|--|------------|------------|------------|------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Aryabhatt Sales Private Limited | 34,20,396 | 15,20,175 | 15,20,175 | 15,20,175 |
| G.R. Minerals and Industries Private Limited | 34,35,489 | 15,26,885 | 15,26,885 | 15,26,885 |
| G R Ecotech Private Limited | 34,17,912 | 15,19,070 | 15,19,070 | 15,19,070 |
| G.R. Sponge and Power Limited | 34,45,407 | 15,31,290 | 15,31,290 | 15,31,290 |
| N R Sponge Private Limited | 34,51,684 | 15,34,082 | 15,34,082 | 15,34,082 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE B–RESTATED STATEMENT OF LONG TERM BORROWINGS

(Rs. in lakhs)

| Particulars | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|---------------|-----------------|---------------|-----------------|
| (Secured) | | | | |
| (a) Term loans | | | | |
| Term Loans from Banks | 36.11 | 52.78 | 86.11 | - |
| Loans and Advances from Bank (Vehicle Loans) | 61.24 | 74.62 | - | - |
| Sub-total (a) | 97.35 | 127.40 | 86.11 | - |
| (b) Loans and advances from related parties & shareholders (Unsecured) | | | | |
| From Body Corporate | 517.11 | 1,348.30 | 475.52 | 1,475.64 |
| Sub-total (b) | 517.11 | 1,348.30 | 475.52 | 1,475.64 |
| Total (a+b) | 614.46 | 1,475.70 | 561.63 | 1,475.64 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE C–RESTATED STATEMENT OF DEFERRED TAX (ASSET)/LIABILITY

(Rs. in lakhs)

| Particulars | As At | | | |
|---|---------------|---------------|---------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Opening Balance (A) | | | | |
| Opening Balance of Deferred Tax (Asset) / Liability | 328.83 | 8.38 | (163.31) | 387.57 |
| Closing Balances (B) | | | | |
| (DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act. | 383.94 | 396.44 | 393.98 | 397.52 |
| (DTA) / DTL on account of Loss carried forward | - | (58.13) | (376.79) | (560.41) |
| (DTA) / DTL on account of Loss carried forward (LTCG) | (9.00) | (8.23) | (8.15) | - |
| (DTA) / DTL on account of Provision on Bonus | (0.12) | (0.25) | (0.18) | (0.12) |
| (DTA) / DTL on account of Provision for Gratuity | - | (1.00) | (0.48) | (0.30) |
| Closing Balance of Deferred Tax (Asset) / Liability (B) | 374.81 | 328.83 | 8.38 | (163.31) |
| Current Year Provision (B-A) | 45.98 | 320.45 | 171.69 | (550.88) |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE D –RESTATED STATEMENT OF LONG TERM PROVISIONS

(Rs. in lakhs)

| Particulars | As At | | | |
|------------------------|------------|-------------|-------------|-------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Provision for Gratuity | - | 3.96 | 1.86 | 1.13 |
| Total | - | 3.96 | 1.86 | 1.13 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE E-RESTATEMENT OF SHORT TERM BORROWING

(Rs. in lakhs)

| Particulars | As At | | | |
|--|---------------|-----------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Secured (Payable within 12 months) | | | | |
| Current Maturities of Long Term Loan (HDFC Bank) | 76.76 | 92.35 | 13.89 | - |
| Loan Repayable on Demand | | | | |
| From Banks | | | | |
| HDFC BANK - OCC | 916.96 | 947.76 | 817.29 | 500.53 |
| Total | 993.72 | 1,040.11 | 831.18 | 500.53 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE F - RESTATEMENT OF TRADE PAYABLES

(Rs. in lakhs)

| Particulars | As AT | | | |
|--|-----------------|---------------|-----------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Trade Payables | | | | |
| For Goods & Services | | | | |
| Micro, Small and Medium Enterprises | 1.38 | 2.15 | 18.99 | 3.85 |
| Other than Micro, Small and Medium Enterprises | 1,987.04 | 495.39 | 1,212.12 | 846.89 |
| Total | 1,988.42 | 497.54 | 1,231.11 | 850.74 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

Trade Payables ageing schedule

| Particulars | Outstanding for following periods from due date of payment/transaction as on September 30, 2022 | | | | Total |
|-----------------------------|---|-------------|-----------|-------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i)MSME | 1.38 | - | - | - | 1.38 |
| (ii)Others | 1,979.99 | 7.06 | - | - | 1,987.04 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| Total | 1,981.37 | 7.06 | - | - | 1,988.42 |

| Particulars | Outstanding for following periods from due date of payment as on 31.03.2022 | | | | Total |
|-----------------------------|---|-------------|-------------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i)MSME | 0.46 | 1.69 | - | - | 2.15 |
| (ii)Others | 494.61 | - | 0.78 | - | 495.39 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| Total | 495.07 | 1.69 | 0.78 | - | 497.54 |

| Particulars | Outstanding for Following periods from due date of Payment as on 31.03.2021 | | | | Total |
|----------------------------|---|--------------|-----------|-------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 18.99 | - | - | - | 18.99 |
| (ii) Others | 1,162.92 | 49.20 | - | - | 1,212.12 |
| (iii) Disputed Dues- MSME | - | - | - | - | - |
| (iv) Disputed Dues- Others | - | - | - | - | - |
| Total | 1,181.91 | 49.20 | - | - | 1,231.11 |

| Particulars | Outstanding for Following periods from due date of Payment as on 31.03.2020 | | | | Total |
|-------------|---|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 3.85 | - | - | - | 3.85 |

| | | | | | |
|----------------------------|---------------|----------|----------|--------------|---------------|
| (ii) Others | 815.09 | - | - | 31.80 | 846.89 |
| (iii) Disputed Dues- MSME | - | - | - | - | - |
| (iv) Disputed Dues- Others | - | - | - | - | - |
| Total | 818.94 | - | - | 31.80 | 850.74 |

Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. The details of outstanding due to Micro Enterprises and Small Enterprises are as follows:

| Particulars | As At | | | |
|--|------------|------------|------------|------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year is as follows: | | | | |
| - Principal | 1.38 | 2.15 | 18.99 | 3.85 |
| - Interest | - | - | - | - |
| The amount of interest paid by the Company along with the amount of the payment made to the supplier beyond the appointed day during the year. | - | - | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMEDA. | - | - | - | - |
| The amount of interest accrued and remaining unpaid at end of the year | - | - | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise. | - | - | - | - |

NOTE G – RESTATED STATEMENT OF OTHER CURRENT LIABILITIES

(Rs. in lakhs)

| Particulars | As At | | | |
|--|---------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Other Current Liabilities | | | | |
| Interest accrued but not due on borrowings | 0.28 | 0.97 | - | - |
| Advanced From Customers | 259.23 | 4.28 | 4.44 | 17.35 |
| Unsecured and considered Good | | | | |
| Duties and Taxes | 158.68 | 144.65 | 270.63 | 122.75 |
| TDS Payable | 15.37 | 13.26 | 16.12 | 11.99 |
| Other Expenses Payable | 85.85 | 61.34 | 73.75 | 69.04 |
| Total | 519.41 | 224.50 | 364.94 | 221.13 |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE H – RESTATED STATEMENT OF SHORT TERM PROVISIONS

(Rs. in lakhs)

| Particulars | As At | | | |
|------------------------------|---------------|-------------|-------------|-------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Short Term Provisions | | | | |
| Provision for Income Tax | 121.53 | - | - | - |
| Provision for Gratuity | - | 0.01 | 0.01 | 0.00 |
| Total | 121.53 | 0.01 | 0.01 | 0.00 |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE I - RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

FY 2019-20

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|---|-----------------|---------------------------|---------------------------|-----------------|-----------------|-----------------|------------------------|----------------------|-----------------|-----------------|
| | As at 01-Apr-19 | Additions during the year | Deletions during the year | As at 31-Mar-20 | Upto 01-Apr-19 | During the year | Deletion during the yr | Total upto 31-Mar-20 | As at 31-Mar-20 | As at 31-Mar-19 |
| <u>Property, Plant & Equipment</u> | | | | | | | | | | |
| Freehold Land | 18.70 | - | - | 18.70 | - | - | - | - | 18.70 | 18.70 |
| Leasehold land | 117.60 | - | - | 117.60 | - | - | - | - | 117.60 | 117.60 |
| Factory shed and building | 426.25 | 99.96 | - | 526.21 | 164.44 | 14.23 | - | 178.67 | 347.54 | 261.81 |
| Plant and Machinery | 3,572.44 | 361.36 | 1.20 | 3,932.60 | 1,694.39 | 118.19 | 0.03 | 1,812.55 | 2,120.05 | 1,878.06 |
| Office equipment | 12.19 | 11.54 | - | 23.73 | 11.59 | 1.80 | - | 13.39 | 10.34 | 0.60 |
| Furnitures and Fixtures | 5.07 | - | - | 5.07 | 4.92 | 0.05 | - | 4.97 | 0.11 | 0.15 |
| Computers | 3.53 | 2.23 | - | 5.75 | 3.49 | 0.54 | - | 4.04 | 1.72 | 0.03 |
| Vehicles | 54.09 | 3.40 | - | 57.50 | 51.39 | 0.11 | - | 51.50 | 6.00 | 2.71 |
| | | | | | | | | | | |
| <u>Intangible Assets</u> | 0.43 | 2.45 | - | 2.88 | 0.43 | 0.29 | - | 0.72 | 2.16 | - |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Total | 4,210.31 | 480.93 | 1.20 | 4,690.04 | 1,930.65 | 135.23 | 0.03 | 2,065.84 | 2,624.20 | 2,279.66 |
| <i>Previous Year</i> | <i>4,208.67</i> | <i>1.20</i> | <i>-</i> | <i>4,209.87</i> | <i>1,795.03</i> | <i>135.18</i> | <i>-</i> | <i>1,930.22</i> | <i>2,279.66</i> | <i>2,413.64</i> |

F.Y. 2020-21

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|---|-----------------|---------------------------|---------------------------|-----------------|----------------|-------------------|---------------------------|----------------------|-----------------|-----------------|
| | As at 01-Apr-20 | Additions during the year | Deletions during the year | As at 31-Mar-21 | Upto 01-Apr-20 | During the Period | Deletions during the year | Total upto 31-Mar-21 | As at 31-Mar-21 | As at 31-Mar-20 |
| <u>Property, Plant & Equipment</u> | | | | | | | | | | |
| Freehold Land | 18.70 | - | - | 18.70 | - | - | - | - | 18.70 | 18.70 |
| Leasehold land | 117.60 | 58.88 | - | 176.48 | - | - | - | - | 176.48 | 117.60 |
| Factory shed and building | 526.21 | - | - | 526.21 | 178.67 | 16.45 | - | 195.12 | 331.09 | 347.54 |
| Plant and Machinery | 3,932.60 | 12.77 | - | 3,945.37 | 1,812.55 | 131.59 | - | 1,944.14 | 2,001.23 | 2,120.05 |
| Office equipment | 23.73 | 16.64 | - | 40.37 | 13.39 | 2.76 | - | 16.15 | 24.22 | 10.34 |
| Furnitures and Fixtures | 5.07 | - | - | 5.07 | 4.97 | 0.05 | - | 5.01 | 0.06 | 0.11 |
| Computers | 5.75 | 0.64 | - | 6.40 | 4.04 | 0.72 | - | 4.76 | 1.64 | 1.72 |
| Vehicles | 57.50 | 11.47 | - | 68.96 | 51.50 | 0.52 | - | 52.02 | 16.94 | 6.00 |
| | | | | | | | | | | |
| <u>Intangible Assets</u> | 2.88 | - | - | 2.88 | 0.72 | 0.39 | - | 1.11 | 1.77 | 2.16 |
| | | | | | | | | | | |

| | | | | | | | | | | |
|----------------------|-----------------|---------------|-------------|----------------------------|----------------------------|---------------|-------------|----------------------------|----------------------------|----------------------------|
| Total | 4,690.04 | 100.40 | - | 4,790.4 4 | 2,065.8 4 | 152.47 | - | 2,218.3 2 | 2,572.1 3 | 2,624.2 0 |
| <i>Previous Year</i> | <i>4,210.31</i> | <i>480.93</i> | <i>1.20</i> | <i>4,690.0</i> <i>4</i> | <i>1,930.6</i> <i>5</i> | <i>135.23</i> | <i>0.03</i> | <i>2,065.8</i> <i>4</i> | <i>2,624.2</i> <i>0</i> | <i>2,279.6</i> <i>6</i> |

F.Y. 2021-22

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|---|-----------------|---------------------------|---------------------------|----------------------------|----------------------------|-------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | As at 01-Apr-21 | Additions during the year | Deletions during the year | As at 31-Mar-22 | Upto 01-Apr-21 | During the Period | Deletion during the period | Total upto 31-Mar-22 | As at 31-Mar-22 | As at 31-Mar-21 |
| <u>Property, Plant & Equipment</u> | | | | | | | | | | |
| Freehold Land | 18.70 | - | - | 18.70 | - | - | - | - | 18.70 | 18.70 |
| Leasehold land | 176.48 | - | - | 176.48 | - | - | - | - | 176.48 | 176.48 |
| Factory shed and building | 526.21 | 24.04 | - | 550.26 | 195.12 | 16.60 | - | 211.72 | 338.53 | 331.09 |
| Plant and Machinery | 3,945.37 | 37.80 | - | 3,983.17 | 1,944.14 | 132.67 | - | 2,076.81 | 1,906.36 | 2,001.23 |
| Office equipment | 40.37 | 2.92 | - | 43.29 | 16.15 | 2.90 | - | 19.06 | 24.24 | 24.22 |
| Furnitures and Fixtures | 5.07 | 9.63 | - | 14.71 | 5.01 | 0.30 | - | 5.32 | 9.39 | 0.06 |
| Computers | 6.40 | 1.34 | - | 7.74 | 4.76 | 0.78 | - | 5.54 | 2.20 | 1.64 |
| Vehicles | 68.96 | 177.67 | - | 246.64 | 52.02 | 17.99 | - | 70.01 | 176.62 | 16.94 |
| | | | | | | | | | | |
| <u>Intangible Assets</u> | 2.88 | - | - | 2.88 | 1.11 | 0.39 | - | 1.50 | 1.38 | 1.77 |
| - | | | | | | | | | | |
| | | | | | | | | | | |
| Total | 4,790.44 | 253.41 | - | 5,043.85 | 2,218.32 | 171.64 | - | 2,389.95 | 2,653.90 | 2,572.13 |
| <i>Previous Year</i> | <i>4,690.04</i> | <i>100.40</i> | <i>-</i> | <i>4,790.4</i> <i>4</i> | <i>2,065.8</i> <i>4</i> | <i>152.47</i> | <i>-</i> | <i>2,218.3</i> <i>2</i> | <i>2,572.1</i> <i>3</i> | <i>2,624.2</i> <i>0</i> |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

Six Month Period Ended September 30, 2022

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|---|-----------------|---------------------------|---------------------------|------------------|----------------|-------------------|----------------------------|-----------------------|------------------|-----------------|
| | As at 01-Apr-22 | Additions during the year | Deletions during the year | As at 30-Sept-22 | Upto 01-Apr-22 | During the Period | Deletion during the period | Total upto 30-Sept-22 | As at 30-Sept-22 | As at 31-Mar-22 |
| <u>Property, Plant & Equipment</u> | | | | | | | | | | |
| Freehold Land | 18.70 | - | - | 18.70 | - | - | - | - | 18.70 | 18.70 |
| Leasehold land | 176.48 | - | - | 176.48 | - | - | - | - | 176.48 | 176.48 |
| Factory shed and building | 550.26 | 23.78 | - | 574.03 | 211.72 | 8.51 | - | 220.23 | 353.80 | 338.53 |
| Plant and Machinery | 3,983.17 | 58.19 | - | 4,041.36 | 2,076.81 | 64.77 | - | 2,141.58 | 1,899.78 | 1,906.36 |
| Office equipment | 43.29 | 1.04 | - | 44.33 | 19.06 | 1.51 | - | 20.56 | 23.76 | 24.24 |
| Furniture's and Fixtures | 14.71 | - | - | 14.71 | 5.32 | 0.25 | - | 5.57 | 9.14 | 9.39 |
| Computers | 7.74 | - | - | 7.74 | 5.54 | 0.29 | - | 5.82 | 1.91 | 2.20 |
| Vehicles | 246.64 | 44.10 | - | 290.74 | 70.01 | 10.55 | - | 80.56 | 210.18 | 176.62 |
| | | | | | | | | | | |

| | | | | | | | | | | |
|--------------------------|-----------------|---------------|---|-----------------|-----------------|---------------|---|-----------------|-----------------|-----------------|
| Intangible Assets | 2.88 | - | - | 2.88 | 1.50 | 0.19 | - | 1.69 | 1.19 | 1.38 |
| Total | 5,043.85 | 127.11 | - | 5,170.97 | 2,389.95 | 86.06 | - | 2,476.02 | 2,694.95 | 2,653.90 |
| <i>Previous Year</i> | <i>4,790.44</i> | <i>253.41</i> | - | <i>5,043.85</i> | <i>2,218.32</i> | <i>171.64</i> | - | <i>2,389.95</i> | <i>2,653.90</i> | <i>2,572.13</i> |

NOTE J –RESTATED STATEMENT OF CAPITAL WORK IN PROGRESS

(Rs. in lakhs)

| Particulars | As At | | | |
|--------------------------|---------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Capital Work-In-Progress | 223.54 | 223.54 | 221.54 | 221.54 |
| Total | 223.54 | 223.54 | 221.54 | 221.54 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

Details of CWIP

| Particulars | Amount in CWIP for a period of 30.09.2022 | | | | Total |
|-------------------------------|---|-----------|-----------|---------------|---------------|
| | < 1 Year | 1-2 Years | 2-3 Years | > 3 Years | |
| Project in progress | 2.00 | - | - | - | 2.00 |
| Project Temporarily Suspended | - | - | - | 221.54 | 221.54 |
| Total | 2.00 | - | - | 221.54 | 223.54 |

Details of CWIP

| Particulars | Amount in CWIP for a period of 31.03.2022 | | | | Total |
|-------------------------------|---|-----------|-----------|---------------|---------------|
| | < 1 Year | 1-2 Years | 2-3 Years | > 3 Years | |
| Project in progress | 2.00 | - | - | - | 2.00 |
| Project Temporarily Suspended | - | - | - | 221.54 | 221.54 |
| Total | - | - | - | 221.54 | 223.54 |

Details of CWIP

| Particulars | Amount in CWIP for a period of 31.03.2021 | | | | Total |
|-------------------------------|---|-----------|-----------|---------------|---------------|
| | < 1 Year | 1-2 Years | 2-3 Years | > 3 Years | |
| Project Temporarily Suspended | - | - | - | 221.54 | 221.54 |
| Total | - | - | - | 221.54 | 221.54 |

Details of CWIP

| Particulars | Amount in CWIP for a period of 31.03.2020 | | | | Total |
|-------------------------------|---|-----------|-----------|---------------|---------------|
| | < 1 Year | 1-2 Years | 2-3 Years | > 3 Years | |
| Project Temporarily Suspended | - | - | - | 221.54 | 221.54 |
| Total | - | - | - | 221.54 | 221.54 |

NOTE K –RESTATED STATEMENT OF NON-CURRENT INVESTMENTS

(Rs. in lakhs)

| Particulars | As At | | | |
|---|------------|------------|------------|------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Unquoted Equity (Fully paid-up) | | | | |
| Investment in 14,120 Equity Share of B S Confin Pvt. Ltd of Rs 10 Each | - | - | - | 14.12 |
| Investment in 127,200 Equity Share Hightime Holding Pvt. Ltd. of Rs 10 Each | - | - | - | 12.72 |
| Investment in 87,040 Equity Share Nairit Tie-Up Pvt. Ltd. of Rs 10 Each | - | - | - | 8.70 |
| Investment in 200 Equity Share Vimla Infrastructures India Pvt. Ltd. of Rs 250 each | 0.50 | 0.50 | 0.50 | 0.50 |
| National Saving Certificate | 1.60 | 1.60 | 1.60 | 1.10 |
| Quoted (Fully paid-up) : | | | | |
| 107 equity shares Abb India Limited of Rs 2/- each | - | 2.50 | - | - |

| | | | | |
|---|-------------|--------------|-------------|--------------|
| 128 equity shares Adani Ports and Special Economic Zone Limited of Rs 2/- each | - | 0.99 | - | - |
| 340 equity shares Aditya Birla Fashion and Retail Limited of Rs 10/- each | - | 1.00 | - | - |
| 106 equity shares Angel One Limited of Rs 10/- each | - | 1.50 | - | - |
| 312 equity shares APL Apollo Tubes Limited of Rs 2/- each | - | 3.01 | - | - |
| 250 equity shares Axis Bank Limited of Rs 2/- each | - | 2.02 | - | - |
| 7 equity shares Bajaj Finance Limited of Rs 2/- each | - | 0.51 | - | - |
| 195 equity shares Balrampur Chini Mills Limited of Rs 1/- each | - | 0.99 | - | - |
| 225 equity shares Can Fin Homes Limited of Rs 2/- each | - | 1.50 | - | - |
| 125 equity shares Central Depository Services (India) Limited of Rs 10/- each | - | 2.93 | - | - |
| 145 equity shares Cholamandalam Investment and Finance Company Limited of Rs 2/- each | - | 0.99 | - | - |
| 57 equity shares Dr. Reddy's Laboratories Limited of Rs 5/- each | - | 2.68 | - | - |
| 213 equity shares Greenpanel Industries Ltd of Rs 1/- each | - | 1.12 | - | - |
| 59 equity shares Hitachi Energy India Limited of Rs 2/- each | - | 1.75 | - | - |
| 5 equity shares Honeywell Automation India Limited of Rs 10/- each | - | 2.27 | - | - |
| 1000 equity shares ICICI Bank Limited of Rs 2/- each | - | 8.06 | - | - |
| 15 equity shares Indian Energy Exchange Limited of Rs 1/- each | - | 0.04 | - | - |
| 461 equity shares Infosys Limited of Rs 5/- each | - | 8.66 | - | - |
| 430 equity shares KPIT Technologies Limited of Rs 10/- each | - | 3.00 | - | - |
| 180 equity shares K.P.R. Mill Limited of Rs 1/- each | - | 3.30 | - | - |
| 16 equity shares Larsen & Toubro Infotech Limited of Rs 1/- each | - | 0.99 | - | - |
| 58 equity shares L&T Technology Services Limited of Rs 2/- each | - | 2.98 | - | - |
| 156 equity shares Larsen & Toubro Limited of Rs 2/- each | - | 3.01 | - | - |
| 39 equity shares Maruti Suzuki India Limited of Rs 5/- each | - | 3.11 | - | - |
| 22 equity shares MindTree Limited of Rs 10/- each | - | 0.94 | - | - |
| 30 equity shares Mphasis Limited of Rs 10/- each | - | 1.00 | - | - |
| 50 equity shares Navin Fluorine International Limited of Rs 2/- each | - | 2.02 | - | - |
| 105 equity shares Oberoi Realty Limited of Rs 10/- each | - | 1.00 | - | - |
| 35 equity shares Persistent Systems Limited of Rs 10/- each | - | 1.49 | - | - |
| 38 equity shares PI Industries Limited of Rs 1/- each | - | 1.02 | - | - |
| 113 equity shares Polycab India Limited of Rs 10/- each | - | 3.00 | - | - |
| 475 equity shares Praj Industries Limited of Rs 2/- each | - | 2.01 | - | - |
| 113 equity shares Privi Speciality Chemicals Limited of Rs 10/- each | - | 2.51 | - | - |
| 45 equity shares Reliance Industries Limited of Rs 10/- each | - | 1.11 | - | - |
| 43 equity shares Siemens Limited of Rs 2/- each | - | 1.03 | - | - |
| 60 equity shares SRF Limited of Rs 10/- each | - | 1.49 | - | - |
| 988 equity shares State Bank of India of Rs 1/- each | - | 5.01 | - | - |
| 105 equity shares Tata Chemicals Limited of Rs 10/- each | - | 1.00 | - | - |
| 418 equity shares TATA Consumer Products Limited of Rs 1/- each | - | 3.01 | - | - |
| 5 equity shares Tata Elxsi Limited of Rs 10/- each | - | 2.83 | - | - |
| 395 equity shares Tata Power Company Limited of Rs 1/- each | - | 1.00 | - | - |
| 109 equity shares TATA Steel Limited of Rs 10/- each | - | 1.32 | - | - |
| | | | | |
| | | | | |
| Investment in mutual fund, fully Paid up | | | | |
| Nippon India ETF Gold Bees | - | 5.01 | - | - |
| Nippon India ETF PSU Bank Bees | - | 1.14 | - | - |
| Total | 2.10 | 99.97 | 2.10 | 37.14 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

Restated Statement Of Current Investment

(Rs. in Lakhs)

| Particulars | As At | | | |
|--|----------|----------|----------|----------|
| | 30-09-22 | 31-03-22 | 31-03-21 | 31-03-20 |
| Quoted (Fully paid-up) : | | | | |
| 500 equity shares ICICI Bank Limited of Rs 2/- each | 4.45 | - | - | - |
| 200 equity shares Infosys Limited of Rs 5/- each | 3.10 | - | - | - |
| 6000 equity shares KPIT Technologies Limited of Rs 10/- each | 31.27 | - | - | - |
| 2000 equity shares Tata Power Company Limited of Rs 1/- each | 5.02 | - | - | - |
| 1000 equity shares TATA Steel Limited of Rs 10/- each | 1.07 | - | - | - |
| 2000 equity shares Apollo Tyres Limited of Rs 1/- each | 5.87 | - | - | - |

| | | | | |
|---|---------------|---|---|---|
| 2000 equity shares BCL Industries Limited of Rs 10/- each | 7.73 | - | - | - |
| 650 equity shares Bharti Airtel Limited of Rs 5/- each | 5.11 | - | - | - |
| 7000 equity shares of Bharat Heavy Electricals Limited of Rs 2/- each | 4.51 | - | - | - |
| 500 equity shares of BSE Limited of Rs 2/- each | 3.52 | - | - | - |
| 500 Container Corporation of India Limited equity shares of Rs 5/- each | 3.87 | - | - | - |
| 500 HCL Technologies Limited equity shares of Rs 2/- each | 4.89 | - | - | - |
| 114000 of HFCL Limited equity shares of Rs 1/- each | 70.21 | - | - | - |
| 7000 Indian Oil Corporation Limited equity shares of Rs 10/- each | 5.14 | - | - | - |
| 499 Info Edge (I) Limited equity shares of Rs 10/- each | 21.68 | - | - | - |
| 500 Life Insurance Corporation of India Limited equity shares of Rs 10/- each | 4.42 | - | - | - |
| 250 MTAR Technologies Limited equity shares of Rs 10/- each | 3.55 | - | - | - |
| 1250 Multi Commodity Exchange of India equity shares of Rs 10/- each | 15.05 | - | - | - |
| 1800 NOCIL Limited equity shares of Rs 10/- each | 5.18 | - | - | - |
| 3000 Oil and Natural Gas Corporation Limited equity shares of Rs 5/- each | 4.97 | - | - | - |
| 6400 Orient Hotels Limited equity shares of Rs 1/- each | 4.97 | - | - | - |
| 2500 Pitti Engineering Limited equity shares of Rs 5/- each | 8.22 | - | - | - |
| 6750 of Shyam Metalics and Energy Limited equity shares of Rs 10/- each | 21.38 | - | - | - |
| 1000 of Sun TV Network Limited equity shares of Rs 5/- each | 5.33 | - | - | - |
| 1000 of Tata Communications Limited equity shares of Rs 10/- each | 9.34 | - | - | - |
| 100 of Tata Consultancy Services Limited equity shares of Rs 1/- each | 3.24 | - | - | - |
| 500 UPL Limited equity shares of Rs 2/- each | 3.89 | - | - | - |
| 150 of Vinati Organics Limited equity shares of Rs 1/- each | 3.53 | - | - | - |
| 2000 of WIPRO Limited equity shares of Rs 2/- each | 9.64 | - | - | - |
| 1800 of ZEE Entertainment Limite equity shares of Rs 1/- each | 5.00 | - | - | - |
| | | | | |
| | 285.14 | - | - | - |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE L- RESTATED STATEMENT OF LONG TERM LOAN AND ADVANCES

(Rs. in lakhs)

| Particulars | As At | | | |
|---------------------------|---------------|---------------|-------------|-------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Advance for Capital Goods | 557.65 | 400.00 | - | - |
| Prepaid Expenses | 8.97 | 9.09 | 8.79 | 4.90 |
| Total | 566.62 | 409.09 | 8.79 | 4.90 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE M – RESTATED STATEMENT OF OTHER NON CURRENT ASSETS

(Rs. in lakhs)

| Particulars | As at | | | |
|--|---------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Balances with bank in deposit account (maturity more than 12 months) | 214.93 | 249.31 | 79.72 | 61.30 |
| Security Deposits | 65.86 | 39.31 | 38.70 | 38.54 |
| Interest accrued on Investments | 0.54 | 0.54 | 0.54 | 0.54 |
| Total | 281.33 | 289.16 | 118.96 | 100.38 |

RESTATED STATEMENT OF OTHER CURRENT ASSETS

| Particulars | As at | | | |
|-----------------------------------|--------------|--------------|--------------|-------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Security Deposits | - | 20.00 | - | - |
| Interest accrued on Fixed Deposit | 6.74 | 6.10 | 13.35 | 0.24 |
| Gratuity Fund (excess paid) | 2.10 | | | |
| Interest accrued on Deposits | 4.10 | 5.35 | 4.10 | 2.56 |
| Total | 12.94 | 31.45 | 17.45 | 2.80 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE N – RESTATED STATEMENT OF INVENTORIES

(Rs. in lakhs)

| Particulars | As at | | | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Stock of Raw Material and Stock in Trade | | | | |
| Raw Material | 1522.95 | 1,551.00 | 995.42 | 1,299.54 |
| Stores & Spares | 174.27 | 123.23 | 125.79 | 91.23 |
| Finished Goods | 473.50 | 154.33 | 323.82 | 218.14 |
| Others | 5.96 | 4.05 | 189.34 | - |
| Total | 2,176.68 | 1,832.61 | 1,634.38 | 1,608.91 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE O – RESTATED STATEMENT OF TRADE RECEIVABLES

(Rs. in lakhs)

| Particulars | As at | | | |
|--|-----------------|-----------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Trade Receivables | | | | |
| Unsecured Considered good | | | | |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 0.23 | 2.56 | 4.51 | - |
| Dues From Related parties or Group companies | 692.88 | 810.69 | - | - |
| Others | 487.40 | 381.07 | 453.66 | 265.98 |
| Total | 1,180.51 | 1,194.31 | 458.17 | 265.98 |

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

Trade receivables ageing schedule

| Particulars | Outstanding for following periods from Due Date of Payment as on 30.09.2022 | | | | | |
|--|---|------------------|-------------|-----------|-----------|-----------------|
| | < 6 Months | 6 Months-1 Years | 1-2 Years | 2-3 Years | > 3 Years | Total |
| (i) Undisputed trade Receivables-Considered goods | 1,180.28 | 0.07 | 0.16 | - | - | 1,180.51 |
| (ii) Undisputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (iii) Undisputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| (iv) disputed trade Receivables-considered goods | - | - | - | - | - | - |
| (v) disputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (vi) disputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Total | 1,180.28 | 0.07 | 0.16 | - | - | 1,180.51 |

Trade receivables ageing schedule

| Particulars | Outstanding for following periods from Due Date of Payment as on 31.03.2022 | | | | | |
|--|---|------------------|-----------|-----------|-----------|----------|
| | < 6 Months | 6 Months-1 Years | 1-2 Years | 2-3 Years | > 3 Years | Total |
| (i) Undisputed trade Receivables-Considered goods | 1,191.76 | 0.15 | 0.56 | 1.85 | - | 1,194.31 |
| (ii) Undisputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |

| | | | | | | |
|---|-----------------|-------------|-------------|-------------|----------|-----------------|
| (iii) Undisputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| (iv) disputed trade Receivables-considered goods | - | - | - | - | - | - |
| (v) disputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (vi) disputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Total | 1,191.76 | 0.15 | 0.56 | 1.85 | - | 1,194.31 |

| Particulars | Outstanding for following periods from Due Date of Payment as on 31.03.2021 | | | | | |
|--|---|------------------|-------------|-----------|-----------|---------------|
| | < 6 Months | 6 Months-1 Years | 1-2 Years | 2-3 Years | > 3 Years | Total |
| (i) Undisputed trade Receivables-Considered goods | 453.66 | 2.27 | 2.25 | - | - | 458.17 |
| (ii) Undisputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (iii) Undisputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| (iv) disputed trade Receivables-considered goods | - | - | - | - | - | - |
| (v) disputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (vi) disputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Total | 453.66 | 2.27 | 2.25 | - | - | 458.17 |

| Particulars | Outstanding for following periods from Due Date of Payment as on 31.03.2020 | | | | | |
|--|---|------------------|-----------|-----------|-----------|---------------|
| | < 6 Months | 6 Months-1 Years | 1-2 Years | 2-3 Years | > 3 Years | Total |
| (i) Undisputed trade Receivables-Considered goods | 265.98 | - | - | - | - | 265.98 |
| (ii) Undisputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (iii) Undisputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| (iv) disputed trade Receivables-considered goods | - | - | - | - | - | - |
| (v) disputed trade Receivables-Which have significant increase in Credit Risk | - | - | - | - | - | - |
| (vi) disputed trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Total | 265.98 | - | - | - | - | 265.98 |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete

NOTE P – RESTATED STATEMENT OF CASH & BANK BALANCES

(Rs. in lakhs)

| Particulars | As at | | | |
|--|--------------|--------------|--------------|--------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Cash and Cash Equivalents | | | | |
| Cash on Hand | 5.97 | 5.61 | 4.23 | 1.95 |
| Balances with Banks in Current Accounts | 21.35 | 19.75 | 23.61 | 75.12 |

| | | | | |
|---|--------------|--------------|---------------|---------------|
| Balances with Banks in Deposits Accounts (against overdraft) | | | | 52.05 |
| | 27.33 | 25.36 | 27.84 | 129.12 |
| Other Bank Balances | | | | |
| Balances with Banks in Deposits Accounts (maturity between 3 to 12 months) | 50.27 | - | 153.50 | 118.97 |
| Less: Overdraft facility from bank | - | - | - | 4.32 |
| Total | 77.60 | 25.36 | 181.34 | 243.77 |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE Q – RESTATED STATEMENT OF SHORT TERM LOANS AND ADVANCES

(Rs. in lakhs)

| Particulars | As at | | | |
|---|-----------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Unsecured, Considered Good unless otherwise stated | | | | |
| Balances dues from Government Authority | 90.15 | 160.82 | 68.33 | 5.71 |
| Advance to supplier | 958.69 | 290.88 | 451.80 | 116.92 |
| Loans and Advances to Related parties | 522.68 | 155.80 | - | - |
| Prepaid expenses | 9.67 | 7.89 | 10.92 | 2.97 |
| Other Loans and Advance & receivables | 2.92 | 3.81 | 126.49 | 0.87 |
| Total | 1,584.11 | 619.20 | 657.54 | 126.47 |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE R – RESTATED STATEMENT OF REVENUE FROM OPERATIONS

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|--------------------------------|---------------------------|------------------|------------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Sale of finished & by-products | 11,144.00 | 18,485.13 | 14,051.31 | 5,801.36 |
| Sale of scrap | 1.56 | 1.66 | 4.77 | - |
| Total | 11,145.56 | 18,486.79 | 14,056.08 | 5,801.36 |

NOTE S - RESTATED STATEMENT OF OTHER INCOME

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|---|---------------------------|--------------|--------------|--------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Related and Recurring Income: | | | | |
| Interest from Fixed Deposits | 6.92 | 17.82 | 13.59 | 8.73 |
| Interest from Security Deposits | 6.89 | 6.59 | 2.32 | 3.07 |
| Discount Income | - | 0.15 | 0.01 | - |
| Hiring Income | 22.00 | 33.00 | - | - |
| Related and Non Recurring Income: | | | | |
| Dividend Income | 0.70 | 0.04 | - | - |
| Profit on Sale of Property, plant & equipment | - | - | - | 1.83 |
| Profit on Sale of Investment | 0.25 | - | 3.36 | - |
| Non Related and Non Recurring Income: | | | | |
| Liabilities no longer required written off | - | - | 0.53 | 22.14 |
| Other Income | 0.11 | 1.93 | - | - |
| Total | 36.87 | 59.53 | 19.81 | 35.78 |

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

NOTE T - RESTATED STATEMENT OF RAW MATERIAL COMSUMPTION

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|-------------|---------------------------|------------|------------|------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |

| | | | | |
|-------------------------------------|-----------------|------------------|------------------|-----------------|
| Opening Stock of Raw Material | 1,551.00 | 995.42 | 1,299.54 | 135.41 |
| Purchase of Materials | 9,454.64 | 15,845.22 | 11,848.09 | 6248.14 |
| Less: Disposal | 123.15 | 81.23 | 172.09 | 8.51 |
| Less: Closing stock of Raw Material | 1,522.94 | 1,551.00 | 995.42 | 1299.54 |
| Total | 9,359.55 | 15,208.41 | 11,980.11 | 5,075.50 |

NOTE U - RESTATED STATEMENT OF CHANGE IN INVENTORIES

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|-------------------------------------|---------------------------|---------------|-----------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Opening Balance of Stock | | | | |
| (i) Finished Goods & by-products | 154.32 | 323.82 | 218.14 | 56.26 |
| (ii) Work in progress | - | - | - | - |
| (iii) Stock in trade | - | - | - | - |
| Total | 154.32 | 323.82 | 218.14 | 56.26 |
| Less: Closing Balance of Stock | | | | |
| (i) Finished Goods & by-products | 473.50 | 154.32 | 323.82 | 218.14 |
| (ii) Work in progress | - | - | - | - |
| (iii) Stock in trade | - | - | - | - |
| Total | 473.50 | 154.32 | 323.82 | 218.14 |
| Increase/(Decrease) in Stock | (319.18) | 169.50 | (105.68) | (161.88) |

NOTE V - RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|---|---------------------------|---------------|--------------|--------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Salary and Wages | 102.95 | 127.33 | 86.32 | 88.51 |
| Contribution to provident and other funds | 4.44 | 4.39 | 3.85 | 3.60 |
| Gratuity expense | 0.69 | 2.28 | 1.59 | 4.68 |
| Staff welfare | 1.39 | 1.36 | 0.47 | 1.15 |
| Total | 109.47 | 135.35 | 92.23 | 97.94 |

NOTE W - RESTATED STATEMENT OF FINANCE COST

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|----------------------|---------------------------|---------------|---------------|--------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Interest expense | 84.79 | 182.62 | 196.59 | 80.42 |
| Other Borrowing cost | 14.12 | 6.84 | 11.85 | 2.99 |
| Total | 98.91 | 189.46 | 208.44 | 83.41 |

NOTE X - RESTATED STATEMENT OF DEPRECIATION AND AMORTISATION

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|--|---------------------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Depreciation and Amortisation Expenses | 86.06 | 171.64 | 152.47 | 135.23 |
| Total | 86.06 | 171.64 | 152.47 | 135.23 |

NOTE Y - RESTATED STATEMENT OF OTHER EXPENSES

(Rs. in lakhs)

| Particulars | For the year/period ended | | | |
|------------------------|---------------------------|------------|------------|------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Direct Expenses | | | | |
| Manufacturing Expense | 179.68 | 273.75 | 232.02 | 267.60 |

| | | | | |
|--|---------------|-----------------|-----------------|---------------|
| Consumption of Stores and Spares | 150.15 | 283.60 | 125.27 | 57.52 |
| Power Charges | 202.84 | 334.87 | 273.64 | 207.93 |
| Water Charges | 5.82 | 10.44 | 8.45 | 5.11 |
| | | | | |
| Indirect Expenses | | | | |
| Administrative Expense | | | | |
| Auditors' Remuneration | 1.00 | 2.50 | 2.50 | 2.00 |
| Rates and Taxes | 2.61 | 0.18 | 0.94 | 9.95 |
| Repair and Maintenance - Building | 11.03 | 1.83 | 10.33 | - |
| Repair and Maintenance - Plant & Machinery | 15.70 | 32.70 | 21.46 | 14.15 |
| Repair and Maintenance - Others | 1.09 | 1.87 | 1.76 | 0.14 |
| Donation | 0.50 | 0.62 | - | - |
| Security Expenses | 13.79 | 45.75 | 33.54 | 28.46 |
| Director Sitting Fees | 0.60 | 0.60 | 4.00 | - |
| DP & AMC Charges | - | 0.25 | - | - |
| Freight outwards and agency charges | 269.67 | 335.43 | 215.92 | 157.24 |
| CSR Expenses | 5.78 | 3.47 | 1.98 | 2.27 |
| Loss on sale of investments | - | 0.12 | - | - |
| Legal Expenses | 29.60 | 17.32 | 9.90 | 7.26 |
| Commission and brokerage | 22.96 | 34.56 | 45.33 | 16.90 |
| Advertisement Expenses | 0.39 | 1.70 | 0.30 | 0.25 |
| Water Service Charges | 3.24 | 7.79 | 7.78 | 7.12 |
| Testing and Analysis Expenses | 0.95 | 0.10 | 0.08 | 0.83 |
| Printing and stationery | 0.03 | 0.04 | 0.04 | 0.28 |
| Loss on speculation transaction | 5.76 | 0.39 | - | - |
| Communication Expenses | 1.79 | 3.10 | 2.29 | 1.22 |
| Travelling Expenses | 7.37 | 13.08 | 2.82 | 0.21 |
| Insurance Expenses | 16.68 | 7.77 | 5.76 | 1.88 |
| F&O Brokerage Charges | 0.03 | 0.02 | - | - |
| Rebate & Adjustment Charges | - | 1.66 | - | - |
| Office Expenses | 5.04 | 1.33 | 0.11 | 0.03 |
| Other Interest Expenses | 0.03 | 0.03 | 0.04 | - |
| Total | 954.13 | 1,416.86 | 1,006.24 | 788.36 |

NOTE Z – RESTATED STATEMENT OF RELATED PARTY TRANSACTION

RELATED PARTY DISCLOSURE

(a) List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

| Sr. No. | Name of the Person / Entity | Relationship |
|---------|--|---|
| 1 | MSP Sponge Iron Limited | Directors have a significant influence (upto on 17 June 2019) |
| 2 | MSP Infotech Private Limited | Directors have a significant influence (upto on 17 June 2019) |
| 3 | MSP Steel and Power Limited | Directors have a significant influence (upto on 17 June 2019) |
| 4 | Aryabhatt Sales Pvt. Ltd. | Directors have a significant influence |
| 5 | G.R.Sponge and Power Limited | Directors have a significant influence |
| 6 | G.R. Ores Fuels LLP | Directors have a significant influence |
| 7 | GR Ecotech Private Limited | Directors have a significant influence |
| 8 | N.R.Sponge Private Limited | Directors have a significant influence |
| 9 | G.R. Minerals And Industries Private Limited | Directors have a significant influence |
| 10 | Ramesh Steel Industries | Directors have a significant influence |
| 11 | Keshav Kumar Agrawal | Joint Managing Director & Chief Financial Officer |
| 12 | Ramesh Kumar Agrawal | Director |
| 13 | Chetan Kumar Agrawal | Managing Director |
| 14 | Maa Danteshwari Pellet and Steel Private Limited | Directors have a significant influence |

| | | |
|----|---|--|
| 15 | G.R. Krishna Ferro Alloys Private Limited | Directors have a significant influence |
| 16 | G.R.Metaliks And Industries Pvt. Ltd. | Directors have a significant influence |
| 17 | Rahul Relwani | Company Secretary appointed on 07.06.2022 |
| 18 | Sumit Dahiya | Independent Director appointed on 26.07.2022 |
| 19 | Disha Keshariya | Independent Director appointed on 26.07.2022 |
| 20 | Ranjeet Singh Thakur | Independent Director appointed on 26.11.2021 |
| 21 | Jyotish Chandra Das | Independent Director upto 26.07.2022 |

(b) Transaction with related Parties :-

(Rs. in lakhs)

| Particulars | For half year ended | For the financial year | | |
|---|---------------------|------------------------|---------|---------|
| | September 30, 2022 | 2021-22 | 2020-21 | 2019-20 |
| Sitting Fees | | | | |
| Chetan Kumar Agrawal | - | - | 2.00 | - |
| Keshav Kumar Agrawal | - | - | 2.00 | - |
| Jyotish Chandra Das | - | 0.20 | | |
| Ranjeet Singh Thakur | - | 0.40 | | |
| Sumit Dahiya | 0.30 | | | |
| Disha Keshariya | 0.30 | | | |
| | | | | |
| Sales | | | | |
| MSP Sponge Iron Limited | - | - | - | 0.40 |
| MSP Steel and Power Limited | - | - | - | 19.12 |
| G.R. Sponge and Power Limited | 3.36 | 737.29 | 208.43 | 27.65 |
| G.R. Sponge and Power Limited (Property) | - | - | - | 3.00 |
| G.R. Ecotech Private Limited | - | - | - | 70.21 |
| Ramesh Steel Industries | - | - | 1.25 | - |
| G.R. Krishna Ferro Alloys Private Limited | 383.83 | 239.16 | - | - |
| G.R. Minerals And Industries Private Limited | 0.63 | | | |
| Purchase | | | | |
| N.R. Sponge Private Limited | 94.19 | 185.78 | 30.21 | 400.19 |
| G.R. Sponge and Power Limited | 11.95 | 4.33 | 3.73 | 509.32 |
| G.R.Metaliks And Industries Pvt. Ltd. | - | - | - | 35.21 |
| G.R Minerals & Industries Pvt Ltd | - | 21.96 | - | - |
| G.R. Ecotech Private Limited | - | - | - | 574.43 |
| Ramesh Steel Industries | - | 9.57 | 2.61 | 2.88 |
| Ramesh Steel Industries (property) | - | - | - | 1.98 |
| G.R. Krishna Ferro Alloys Private Limited | 0.07 | 4.34 | - | - |
| Loans Received | | | | |
| G.R. Sponge and Power Limited | - | 120.00 | - | 175.00 |
| N.R. Sponge Private Limited | - | - | - | 901.50 |
| G.R. Ores Fuels LLP | - | - | - | 37.00 |
| Aryabhatt Sales Pvt. Ltd. | - | - | 34.00 | - |
| G.R. Minerals Industries Private Limited | - | 808.37 | 100.00 | 136.00 |
| G.R. Ecotech Private Limited | - | 28.00 | 341.52 | 343.00 |
| MSP Sponge Iron Limited | - | - | - | 2.96 |
| Loans Repaid/ Given | | | | |
| MSP Sponge Iron Limited | - | - | - | 516.59 |
| MSP Sponge Iron Limited (Loan and advance paid back) | - | - | - | 150.93 |
| N.R. Sponge Private Limited | - | - | - | 40.00 |
| G.R. Minerals Industries Private Limited | - | 100.00 | - | 136.00 |
| Aryabhatt Sales Pvt. Ltd. | - | 34.00 | - | - |
| G.R. Ecotech Private Limited | - | 27.52 | - | - |
| Maa Danteshwari Pellet and Steel Private Limited | - | 15.00 | - | - |
| G.R. Krishna Ferro Alloys Private Limited | 435.00 | 135.00 | - | - |
| Balances at the end of year Receivables / (Payables) | | | | |

| | | | | |
|---|----------|----------|----------|----------|
| G.R. Minerals Industries Private Limited (long-term borrowings) | - | (851.46) | (100.00) | - |
| G.R. Minerals Industries Private Limited (trade payables) | - | - | - | 10.46 |
| Aryabhata Sales Pvt. Ltd. (long-term borrowings) | - | - | (34.00) | - |
| N.R. Sponge Private Limited (trade payables) | (129.42) | (18.15) | - | (26.55) |
| N.R. Sponge Private Limited (long-term borrowings) | - | - | - | (909.64) |
| G.R. Sponge and Power Limited (trade payables) | - | - | - | (86.72) |
| G.R. Sponge and Power Limited (long-term borrowings) | 129.65 | (124.57) | - | (185.47) |
| G.R. Ores Fuels LLP (long-term borrowings) | - | - | - | (37.01) |
| G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited) (trade receivable) | 692.88 | 245.31 | - | - |
| G.R. Sponge and Power Limited (trade receivable) | (254.77) | 565.38 | - | - |
| G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited) (Loan & Advance) | 506.69 | 140.26 | - | - |
| Maa Danteshwari Pellet and Steel Private Ltd (Loan & Advance) | 15.99 | 15.54 | - | - |
| G.R. Ecotech Private Limited (long-term borrowings) | (387.45) | (372.26) | (341.52) | (343.52) |
| Keshav Kumar Agrawal (trade payables) | - | - | (16.84) | - |
| Keshav Kumar Agrawal (provision for expenses) | (8.85) | (0.45) | (0.41) | - |
| Chetan Kumar Agrawal (provision for expenses) | (7.65) | (0.45) | (0.41) | - |
| Interest on Loan | | | | |
| G.R. Sponge and Power Limited | 5.65 | 5.08 | 6.95 | 11.63 |
| N.R. Sponge Private Limited | - | - | 48.22 | 53.49 |
| G.R. Ores Fuels LLP | - | - | - | 0.13 |
| Aryabhata Sales Pvt. Ltd. | | 2.07 | 2.32 | - |
| G.R. Minerals Industries Private Limited | 19.68 | 47.88 | 9.06 | - |
| G.R. Ecotech Private Limited | 16.87 | 33.63 | 30.85 | 5.23 |
| Sales Commission | | | | |
| Keshav Kumar Agrawal | 1.14 | 15.66 | 18.53 | - |
| Salary | | | | |
| Keshav Kumar Agrawal | 14.00 | 6.00 | - | - |
| Chetan Kumar Agrawal | 14.00 | 6.00 | - | - |
| Ramesh Kumar Agrawal | 3.00 | 6.00 | - | - |
| Rahul Relwani | 1.17 | | | |
| Rent Charges Paid | | | | |
| Keshav Kumar Agrawal | 1.44 | 1.62 | - | - |
| Hire Income | | | | |
| G.R. Krishna Ferro Alloys Private Limited | 22.00 | 33.00 | - | - |
| Interest Received | | | | |
| Maa Danteshwari Pellet and Steel Private Limited | 0.45 | 0.60 | - | - |
| G.R. Krishna Ferro Alloys Private Limited | 6.43 | 5.84 | - | - |

NOTE AA – RESTATED STATEMENT OF TAX SHELTER

(Rs. in lakhs)

| Particulars | As at | | | |
|--|---------------|-----------------|---------------|-----------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Restated profit before tax as per books (A) | 893.50 | 1,255.10 | 694.76 | (181.42) |
| Tax Rates | | | | |
| Income Tax Rate (%) | 25.17% | 25.17% | 26.00% | 30.90% |
| Minimum Alternative Tax Rate (%) | 0.00% | 0.00% | 15.60% | 19.24% |
| Adjustments : | | | | |
| Income Considered Separately | - | 0.51 | 2.30 | - |
| Disallowed | 0.53 | 4.17 | 0.22 | 1.65 |
| Incomes Allowed | (3.98) | -0.16 | (4.21) | (1.83) |
| Timing Difference (B) | (3.45) | 4.52 | (1.69) | (0.18) |

| | | | | |
|---|---------------|---------------|---------------|-----------------|
| Book Depreciation | 86.06 | 171.64 | 152.47 | 135.23 |
| Income Tax Depreciation allowed | 86.78 | 181.09 | 138.86 | 171.68 |
| Total Timing Difference (C) | (0.72) | (9.45) | 13.61 | (36.45) |
| Net Adjustment D= (B+C) | (4.17) | (4.93) | 11.93 | (36.63) |
| Tax Expenses | | - | - | - |
| Set-off of unabsorbed losses & depreciation | (230.66) | (1,250.17) | (706.69) | - |
| Deduction under chapter VI (H) | - | - | - | - |
| Taxable Income/(Loss) (A+D+E+G+H) | 658.67 | 0.00 | (0.00) | (218.05) |
| Income Tax on Above | 165.77 | 0.00 | (0.00) | - |
| Book Profit | - | - | - | - |
| Less: Unabsorbed Business Losses/unabsorbed depreciation whichever is less as per books | - | - | - | - |
| Net Book Profit | - | - | - | - |
| MAT on Book Profit | - | - | - | - |
| Tax paid as per normal or MAT | Normal | NA | NA | NA |
| Total Provision for Tax | 165.77 | - | - | - |

NOTE AB - RESTATED STATEMENT OF CAPITALIZATION STATEMENT

(Rs. in lakhs)

| Particulars | Pre Issue | Post Issue |
|---|-----------------|-----------------|
| Borrowings | | |
| Short term debt (A) | 993.72 | 993.72 |
| Long Term Debt (B) | 614.46 | 614.46 |
| Total debts (C) | 1608.17 | 1608.17 |
| Shareholders' funds | | |
| Equity share capital | 1,776.28 | 2,413.48 |
| Reserve and surplus - as restated | 2,696.89 | 4481.05 |
| Total shareholders' funds | 4,473.17 | 6,894.53 |
| Long term debt / shareholders funds (in Rs.) | 0.14 | 0.09 |
| Total debt / shareholders funds (in Rs.) | 0.36 | 0.23 |

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but excludes installment of term loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2022.
4. The reserves and surplus amount has not been adjusted for share issue expenses on account of the proposed Issue.
5. . The equity share capital and reserves and surplus(post-issue) has been determined after taking impact of proposed IPO of 63,72,000 equity shares offered at a price of Rs. 38/- per share (including securities premium of Rs. 28/- per share).

NOTE AC – RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Rs. in lakhs, Except per Share Data)

| Particulars | | | | |
|---|-------------|-------------|-------------|-------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Net Worth (A) | 4,473.17 | 3,807.94 | 2,873.29 | 2,350.21 |
| Adjusted Profit after Tax (B) | 681.74 | 934.65 | 523.07 | 369.46 |
| Number of Equity Share outstanding as on the End of Year (C) | 1,77,62,764 | 78,94,562 | 78,94,562 | 78,94,562 |
| Weighted average no of Equity shares at the time of end of the year (D) | 1,77,62,764 | 1,77,62,764 | 1,77,62,764 | 1,77,62,764 |
| Face Value per Share | 10.00 | 10.00 | 10.00 | 10.00 |
| Restated Basic and Diluted Earning Per Share (Rs.) (B/D) | 3.84 | 5.26 | 2.94 | 2.08 |

| | | | | |
|--|----------|----------|----------|--------|
| Return on Net worth (%) (B/A) | 15.24% | 24.54% | 18.20% | 15.72% |
| Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares) | 25.18 | 48.24 | 36.40 | 29.77 |
| Net asset value per share (A/D) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares) | 25.18 | 21.44 | 16.18 | 13.23 |
| EBITDA | 1,027.47 | 1,549.83 | 1,071.33 | (1.55) |

Note:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net assets value per share -: Net Worth at the end of the period or year / Total number of weighted average no of Equity shares at the time of end of the year.

2) While computing weighted average number of equity shares for all three financial years, the bonus issue of 98, 68,202 equity shares allotted in the ratio of 5:4 to the shareholders, through Board Meeting dated August 17, 2022 has been considered.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements of the Company.

5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

NOTE AD-RESTATED STATEMENT OF RATIO ANALYSIS AND ITS ELEMENTS

| S. No | Ratio | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|-------|-----------------------------------|------------|------------|------------|------------|
| 1 | Current Ratio | 1.47 | 2.10 | 1.21 | 1.43 |
| 2 | Debt Equity Ratio | 0.36 | 0.66 | 0.48 | 0.84 |
| 3 | Debt Service Coverage Ratio | 1.47 | 0.93 | 1.41 | (0.02) |
| 4 | Return On Equity Ratio | 15.24% | 24.54% | 18.20% | 15.72% |
| 5 | Inventory Turnover Ratio | 30.21 | 63.95 | 44.85 | 37.06 |
| 6 | Trade Receivable Turnover Ratio | 9.39 | 22.37 | 38.82 | 29.17 |
| 7 | Trade Payable Turnover Ratio | 7.61 | 18.33 | 11.38 | 14.19 |
| 8 | Net Capital Turnover Ratio | 6.58 | 9.53 | 26.95 | 8.59 |
| 9 | Net Profit Ratio | 6.10% | 5.04% | 3.72% | 6.33% |
| 10 | Return On Capital Employed | 18.17% | 25.72% | 27.59% | -2.56% |
| 11 | Return On Investment/Total Assets | 7.50% | 12.67% | 8.91% | 6.84% |

(a) Current Ratio = Current Assets / Current Liabilities.

(b) Debt- equity ratio = Total debt / Shareholders' equity.

(c) Debt service coverage ratio = EBITDA/(Principal + Interest).

(d) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.

(e) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.

(f) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.

(g) Trade payables turnover ratio=Purchase/Average trade payables.

(h) Net Capital turnover ratio=Net sales/Average working capital.

(i) Net profit ratio=Net profit after taxes/Total Revenue.

(j) Return on capital employed=Earnings before interest and taxes/Capital employed.

(k) Return on investment/Total Assets=PAT/Total Assets.

NOTE AE: RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Rs. in lakhs)

| Name of Lender | Purpose | Sanctioned Amount (In Lacs) | Rate of interest | Primary & Collateral Security | Re-Payment Schedule | Outstanding amount as on 30.09.2022 as per Books (In Lakhs) | Outstanding amount as on 31.03.2022 as per Books | Outstanding amount as on 31.03.2021 as per Books | Outstanding amount as on 31.03.2020 as per Books |
|------------------|----------------------|-----------------------------|------------------|---|-------------------------------------|---|--|--|--|
| HDFC Bank | Working Capital Loan | 1500.00 | 8.20% | Exclusive charge on the entire assets of the company, moveable fixed assets of the company. Personal guarantee of Mr Ramesh Kumar Agrawal, Mrs Amita Agrawal, Mr Chetan Kumar Agrawal & Mr Keshav Kumar Agrawal. Exclusive charge by way of Registered Mortgage on Factory Land (Leasehold) & Building situated at A-26, M.I.D.C, Tadali Growth Centre, Tadali, Chandrapur, Maharashtra admeasuring appx. 64 acres name of M/s Chaman Metallics Limited. Exclusive charge by way of Equitable Mortgage of Residential House at Maruti Lifestyle, Kota, Raipur | Repayment on demand | 916.96 | 947.76 | 817.29 | 500.53 |
| HDFC Bank (GECL) | GECL Term Loan | 100.00 | 8.25% | Extension of second ranking charge over primary and collateral securities including mortgage | Monthly installment Rs. 277777.78/- | 69.44 | 86.11 | 100.00 | - |

| | | | | | | | | | |
|--------------------------|-----------|-------|-------|---------------------------|---|-----------------|-----------------|---------------|---------------|
| | | | | created in favour of bank | | | | | |
| HDFC Bank (Vehicle Loan) | HYWA Loan | 31.70 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 101032/- starting from 15.07.2021 to 15.05.2024 | 18.95 | 24.19 | - | - |
| HDFC Bank (Vehicle Loan) | HYWA Loan | 38.70 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 123342/- starting from 15.07.2021 to 15.05.2024 | 23.13 | 29.53 | - | - |
| HDFC Bank (Vehicle Loan) | HYWA Loan | 31.70 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 101032/- starting from 15.07.2021 to 15.05.2024 | 18.95 | 24.19 | - | - |
| HDFC Bank (Vehicle Loan) | JCB Loan | 36.65 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 115853/- starting from 20.07.2021 to 20.05.2024 | 21.90 | 27.97 | - | - |
| HDFC Bank (Vehicle Loan) | JCB Loan | 36.35 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 116809/- starting from 20.07.2021 to 20.05.2024 | 21.73 | 27.74 | - | - |
| TOTAL | | | | | | 1,091.07 | 1,167.49 | 917.29 | 500.53 |

NOTE – AF: RESTATED SUMMARY STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

| Name of Lender | Purpose | Rate of Interest | Brief Terms and Conditions | 30.09.2022 | 31-03-2022 | 31-03-2021 | 31-03-2020 |
|-------------------------------------|---------------|------------------|--|------------|------------|------------|------------|
| FROM CORPORATES:- | | | | | | | |
| G.R Sponge And Power Ltd | Business Loan | 9% | 1. The sanctioned loan to be disbursed as and when so mutually decided by parties. 2. Interest shall accrue on the outstanding Principal Amount at 9%p.a. and will be paid after deducting necessary TDS as per Income Tax Act, 1961. | 129.65 | 124.57 | - | 185.47 |
| AryaBhatt Sales Pvt. Ltd. | Business Loan | 9% | | - | 0.00 | 34.00 | - |
| G.R. Minerals & Industries Pvt Ltd. | Business Loan | 9% | | - | 851.46 | 100.00 | - |
| G.R.Ores Fuels LLP | Business Loan | 9% | | - | - | - | 37.02 |

| | | | | | | | |
|--------------------|---------------|----|---|---------------|-----------------|---------------|-----------------|
| N.R.Sponge Pvt Ltd | Business Loan | 9% | 3. Borrower reserves the right to defer the repayment of loan after 3 years from the date of the agreement. However, the borrower may repay the loan at an earlier date at its discretion. 4. The Borrower hereby agrees to utilize the Loan facility exclusively for its business and operations. 5. Both the Parties are entitled to assign all or any part of its rights, obligations by giving due intimation to each other. 6. Any communication under or in connection with the Agreement is to be in writing in the English language and it may be served by being delivered personally or sending it by FAX or by registered post at their registered. | - | - | - | 909.64 |
| GR Ecotech Pvt Ltd | Business Loan | 9% | | 387.45 | 372.27 | 341.52 | 343.51 |
| GRAND TOTAL | | | | 517.11 | 1,348.30 | 475.52 | 1,475.64 |

NOTE – AG: RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

| Particulars | As at | | | |
|--|---------------|---------------|---------------|---------------|
| | 30/09/2022 | 31/03/2022 | 31/03/2021 | 31/03/2020 |
| Contingent liabilities in respect of: | | | | |
| Outstanding Demands under Income Tax Act 1961 | 192.66 | 192.66 | 192.66 | 192.66 |
| Counter Guarantees given to bank against the bank guarantee issued by the bank | 52.00 | 52.00 | 52.00 | 52.00 |
| Total | 244.66 | 244.66 | 244.66 | 244.66 |

NOTE – AH: RESTATED SUMMARY STATEMENT OF RECONCILIATION OF EQUITY AND RESERVES

| Particulars | 30-Sep-22 | 31-Mar-22 | 31-Mar-21 | 31-Mar-20 |
|---|-----------------|-----------------|-----------------|-----------------|
| Equity and Reserves as per Audited Balance sheet | 4,473.17 | 3,807.94 | 2,988.99 | 2,470.28 |
| Adjustments for: | | | | |
| MAT Credit Entitlement of earlier years | - | - | (83.90) | (83.90) |
| Advance given to Supplier Written Off | - | - | (31.80) | (31.80) |
| TDS Receivable of earlier year Written Off | - | - | - | (4.38) |
| Equity and Reserves as per Re-stated Balance sheet | 4,473.17 | 3,807.94 | 2,873.29 | 2,350.21 |

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the year/period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 and their respective Audit reports thereon (Audited Financial Statements) are available at www.cmlgrgroup.com

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Prospectus; or (ii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor LM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

(Rs. in lakhs)

| Particulars | September 30, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|-------------------------------|---------------------------|-----------------------|-----------------------|
| Profit After Tax | 681.74 | 934.65 | 523.07 | 369.46 |
| Basic & Diluted Earnings per Share (based on Weighted Average Number of Shares) | 3.84 | 5.26 | 2.94 | 2.08 |
| Return on Net Worth (%) | 15.24% | 24.54% | 18.20% | 15.72% |
| Net Asset Value per Share (based on Weighted Average Number of Shares) | 25.18 | 21.44 | 16.18 | 13.23 |
| Earnings before interest, tax, depreciation and amortization (EBITDA) | 1,027.47 | 1,549.83 | 1,071.33 | (1.55) |

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors,
Chaman Metalics Limited
A-26, M.I.D.C. Tadali Growth Centre,
Tadali, Chandrapur – 442406 (Maharashtra)

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **M/s Chaman Metalics Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on September 30, 2022 are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Rs. in Lacs)

| Name of Lender | Purpose | Sanctioned Amount (In Lacs) | Rate of interest | Primary & Collateral Security | Re-Payment Schedule | Outstanding amount as on 30.09.2022 as per Books (In Lakhs) |
|--------------------------|----------------------|-----------------------------|------------------|--|---|---|
| HDFC Bank | Working Capital Loan | 1500.00 | 8.20% | Exclusive charge on the entire assets of the company, moveable fixed assets of the company. Personal guarantee of Mr Ramesh Kumar Agrawal, Mrs Amita Agrawal, Mr Chetan Kumar Agrawal & Mr Keshav Kumar Agrawal. Exclusive charge by way of Registered Mortgage on Factory Land (Leasehold) & Building situated at A-26, M.I.D.C, Tadali Growth Centre, Tadali, Chandrapur, Maharashtra admeasuring appx. 64 acres name of M/s Chaman Metalics Limited. Exclusive charge by way of Equitable Mortgage of Residential House at Maruti Lifestyle, Kota, Raipur | Repayment on demand | 916.96 |
| HDFC Bank (GECL) | GECL Term Loan | 100.00 | 8.25% | Extension of second ranking charge over primary and collateral securities including mortgage created in favour of bank | Monthly installment Rs. 277777.78/- | 69.44 |
| HDFC Bank (Vehicle Loan) | HYWA Loan | 31.70 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 101032/- starting from 15.07.2021 to 15.05.2024 | 18.95 |
| HDFC Bank (Vehicle Loan) | HYWA Loan | 38.70 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 123342/- starting from 15.07.2021 to 15.05.2024 | 23.13 |

| | | | | | | |
|--|--------------|-------|-------|--------------------------|--|-----------------|
| HDFC Bank (Vehicle Loan) | HYWA Loan | 31.70 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 101032/- starting from 15.07.2021 to 15.05.2024 | 18.95 |
| HDFC Bank (Vehicle Loan) | JCB Loan | 36.65 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 115853/- starting from 20.07.2021 to 20.05.2024 | 21.90 |
| HDFC Bank (Vehicle Loan) | JCB Loan | 36.35 | 7.44% | Hypothecation of Vehicle | Monthly EMI Rs. 116809/- starting from 20.07.2021 to 20.05.2024 | 21.73 |
| Total (Fund Based) | | | | | | 1,091.07 |
| Total (Non Fund Based) | | | | | | 1370.30 |
| Grand Total (Fund & Non Fund Based) | | | | | | 2,461.37 |

Principal terms of Cash Credit facilities availed from HDFC BANK:

- The Availability of working capital facilities will be subject to availability of the Drawing power calculated after keeping margin of 25% on Raw Materials (Domestic & Imported), 25% on Stocks in progress, 25% on Finished Goods & 25% for receivables cover period of 90 days.
- In addition to the rate of interest, following penal rate of interest/ charges will be charged: -

| | |
|---|---|
| (a) Penal Interest | 2.00% over and above normal rate of interest. |
| (b) Non- submission/ delayed submission of Stock Statement beyond the stipulated period of 20 days of next immediate month. | Attract penalty at Rs 500/- for each day of delay. |
| (c) Non-compliance with financial covenants | As per existing/amended terms communicated from time to time. |

- All the assets charged to the Bank should always be fully insured by the Borrower against fire, lightning, riots, strikes, floods, cyclones, earthquakes etc. with a Co approved by the Bank in the joint names of the Bank and yourselves at your cost for full market value or Banks interest, whichever is higher.

4. Others:

- Company to take prior approval from Bank before issuing corporate guarantee in favour of its associates/ JVs/ subsidiaries/ etc.
- The Company to submit audited balance sheets of its subsidiaries/ JVs and consolidated financials of the entire Group.

5. Stock Audit:

- Stock and Receivable Audit will be carried out at as per Bank's extant instructions at present the periodicity is half yearly.

6. Other important covenant:

- Bank has the right to monitor progress in respect of Performance Bank Guarantee and Advance Payment Bank Guarantee through Lender's Independent Engineer, at Company cost, at the discretion of the Bank at such intervals as may be warranted based on the tenor of underlying contract or as otherwise warranted.

Principal terms of Bank Guarantee facilities availed from HDFC BANK:

1. Margin of 10.00% in the form of Fixed Deposit with HDFC Bank.
2. **Commission:**
 - (a) For BG with 10% cash margin: 1.00% per annum commission
 - (b) BG commission will be calculated on 365 days in respect of rupee loans/ credit facilities.

Principal terms of Term Loan (GECL) facilities availed from HDFC BANK:

- (a) In event of overdue Un-serviced interest or EMI amount, bank reserves the right to recover the monthly overdue interest/ EMI from your Cash Credit/ OD / Current Account under the same customer ID.
- (b) The term loan is having total tenure of 48 months including 12 months moratorium.

Principal terms of General Condition facilities availed from HDFC BANK:

The company during the tenure of the Bank's credit facility will not without the prior permission in writing:

- (a) Resort to any additional borrowing in the company
- (b) Undertake any further capex except being funded by company's own resources.
- (c) Effect any change in shareholding pattern & management control in the company
- (d) Diversify into non-core areas viz business other than the Current business
- (e) Undertake guarantee obligations or extend letter of comfort, on behalf of any other company / person/ trust / any III party
- (f) Invest in, extend any Advance / Loans, to any Group Companies / Associates / Subsidiary / any other III party
- (g) Repay subordinated loans availed from Directors / Group companies
- (h) Effect any dividend payout / Capital withdrawal, in case of delays in debt servicing or breach of financial covenants.
- (i) Sell, assign, mortgage or otherwise dispose off any fixed assets
- (j)

B. UNSECURED LOANS

| Name of Lender | Purpose | Rate of Interest | Brief Terms and Conditions | 30.09.2022 |
|--------------------------|---------------|------------------|--|------------|
| G.R Sponge and Power Ltd | Business Loan | 9% | 1. The sanctioned loan to be disbursed as and when so mutually decided by parties. | 129.65 |
| GR Ecotech Pvt Ltd | Business Loan | 9% | 2. Interest shall accrue on the outstanding Principal Amount at 9%p.a. and will be paid after deducting necessary TDS as per Income Tax Act, 1961. 3. Borrower reserves the right to defer the repayment of loan after 3 years from the date of this agreement. However, the borrower may repay the loan at an earlier date at its discretion. 4. The Borrower hereby agrees to utilize the Loan facility exclusively for its business and operations. | 387.45 |

| | | | | |
|--------------------|--|--|--|---------------|
| | | | <p>5. Both the Parties are entitled to assign all or any part of its rights, obligations hereunder by giving intimation to each other.</p> <p>6. Any communication under or in connection with this Agreement is to be in writing in the English language and it may be served by being delivered personally or sending it by FAX or by registered post at their registered.</p> | |
| GRAND TOTAL | | | | 517.11 |

For O P Singhania & Co.
Chartered Accountants
ICAI FRN : 002172C

Sd/-

Sanjay Singhania
Partner
M. No. 076961

Place : Raipur
Date : 08.11.2022

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled "Financial Information of the Company" beginning on page 142. You should also read the section titled "Risk Factors" on page 24 and the section titled "Forward Looking Statements" on page 16 of this Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated December 03, 2022 which is included in this Prospectus under "Restated Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

BUSINESS OVERVIEW

Incorporated in 2003, we are primarily engaged in the business of manufacturing and selling of Direct Reduced Iron (i.e. sponge iron). Sponge iron is mainly used as a raw material for making steel in electric arc furnaces and induction furnaces. Through our sponge iron business, we cater to the metallic requirements of steel producers in selected geographies. Our Company was under the control of MSP Group from 2006 to 2019. In 2019, the Company was acquired by Raipur-based GR Group which is in steel business since 1996. Our business operations are organized synergistically, and we derive benefits after our acquisition by GR Group, which operates in various segment of steel i.e. Ferro alloys, Sponge Iron, MS Ingots and re-rolled products.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements beginning on page 149 of this Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "**Risk Factors**" beginning on page 24 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our failure to keep pace with rapid changes in technology;
8. Our ability to grow our business;
9. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
10. general economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company's ability to successfully implement its growth strategy and expansion plans ;
13. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. inability to successfully obtain registrations in a timely manner or at all;
15. occurrence of Environmental Problems & Uninsured Losses;
16. conflicts of interest with affiliated companies, the promoter group and other related parties;
17. any adverse outcome in the legal proceedings in which we are involved;
18. Concentration of ownership among our Promoters;
19. The performance of the financial markets in India and globally;
20. Impact of covid-19 on our business and operations; and
21. Global distress due to Pandemic, war or by any other reason.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the Financial Years 2021-2022, 2020-2021 and 2019-2020 and six months period ended September 30, 2022.

(Rs. in Lakhs)

| Particulars | 30-Sept-2022 | % of Total Income | 31-Mar-2022 | % of Total Income | 31-Mar-2021 | % of Total Income | 31-Mar-2020 | % of Total Income |
|--|------------------|-------------------|------------------|-------------------|------------------|-------------------|-----------------|-------------------|
| Revenue From Operations | 11,145.56 | 99.67 | 18,486.79 | 99.68 | 14,056.08 | 99.86 | 5,801.36 | 99.39 |
| Other Income | 36.87 | 0.33 | 59.53 | 0.32 | 19.81 | 0.14 | 35.78 | 0.61 |
| Total Revenue | 11,182.43 | 100.00 | 18,546.32 | 100.00 | 14,075.89 | 100.00 | 5,837.14 | 100.00 |
| Expenditure | | | | | | | | |
| Raw Material Consumption | 9,359.55 | 83.70 | 15,208.41 | 82.00 | 11,980.11 | 85.11 | 5,075.50 | 86.95 |
| Change in inventories of finished goods, work in progress and stock in trade | (319.18) | -2.85 | 169.50 | 0.91 | (105.68) | (0.75) | (161.88) | (2.77) |
| Employee Benefit Expenses | 109.47 | 0.98 | 135.35 | 0.73 | 92.23 | 0.66 | 97.94 | 1.68 |
| Finance Cost | 98.91 | 0.88 | 189.46 | 1.02 | 208.44 | 1.48 | 83.41 | 1.43 |
| Depreciation and Amortisation Expenses | 86.06 | 0.77 | 171.64 | 0.93 | 152.47 | 1.08 | 135.23 | 2.32 |
| Other Expenses | 954.13 | 8.53 | 1416.86 | 7.64 | 1,006.24 | 7.15 | 788.36 | 13.51 |
| Total Expenditure | 10,288.94 | 92.01 | 17,291.22 | 93.23 | 13,333.81 | 94.73 | 6,018.55 | 103.11 |
| Profit/(Loss) Before Exceptional & extraordinary items & Tax | 893.49 | 7.99 | 1,255.10 | 6.77 | 742.08 | 5.27 | (181.42) | (3.11) |
| Exceptional and Extra-ordinary items | 0.00 | 0.00 | 0.00 | 0.00 | 47.34 | 0.34 | 0.00 | 0.00 |
| Profit/(Loss) Before Tax | 893.49 | 7.99 | 1,255.10 | 6.77 | 694.76 | 4.94 | (181.42) | (3.11) |
| Tax Expense | | | | | | | | |
| Tax Expense for Current Year/ Period | 165.77 | 1.48 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Deferred Tax | 45.98 | 0.41 | 320.45 | 1.73 | 171.69 | 1.22 | (550.88) | (9.44) |
| Net Current Tax Expenses | 211.75 | 1.89 | 320.45 | 1.73 | 171.69 | 1.22 | (550.88) | (9.44) |
| Profit/(Loss) for the Year | 681.74 | 6.10 | 934.65 | 5.04 | 523.07 | 3.72 | 369.46 | 6.33 |

Revenue from operations:

Revenue from operations mainly consists of revenue from our finished products (i.e. sponge iron) & by-products.

Other Income:

Our other income primarily comprises of Hiring Income, Interest on Fixed Deposits & Security Deposits and Other Income.

Total Expenses:

Company's expenses consist of Raw Material Consumption, Change in inventories of finished goods, work in progress and stock in trade, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

Raw Material Consumption:

Our Raw Material Consumption comprises of purchase of material for manufacturing the end products.

Change in inventories of finished goods, work in progress and stock in trade:

Our changes in the inventory comprises of changes in the Finished Goods & by-products.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries & wages, Contribution to provident and other funds, Gratuity expense, Staff welfare expenses.

Finance Costs:

Our finance cost includes Interest expense and other borrowing costs.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Factory shed and building, Plant and Machinery, Office equipment, Furnitures and Fixtures, Computers and Vehicles.

Other Expenses:

Our Other Expenses consists of direct and indirect expenses such as manufacturing expenses, Consumption of Stores and Spares, Power Charges, Repair and Maintenance, Security Expenses, Security Expenses, Legal Expenses, Commission and brokerage, Water Service Charges, Travelling Expenses and Miscellaneous Expenses etc.

Details of half year period ended September 30, 2022 and comparison of Financial Year 2022 with Financial Year 2021 (Based on Restated Financial Statements)

Total Income:

Total income for the half year ended on September 30, 2022 stood at Rs.11,182.43lakhs. Total income for the financial year 2021-2022 stood at ₹18,546.32 Lakhs whereas in Financial Year 2020-2021 the same stood at ₹14,075.89 Lakhs representing significant increase of 31.76%. The main reason of increase was increase in the business operations of the company.

Revenue from Operations:

During the half year ended on September 30, 2022, revenue from operations wasRs11,145.56 Lakhs. For the financial year 2021-2022 the net revenue from operation of our Company increased to ₹18,486.79Lakhs as against ₹14,056.08 Lakhs in the Financial Year 2020-2021 representing an increase of 31.52%, which was mainly due increase in sales of products.

Other Income:

During the half year ended on September 30, 2022, other income was Rs. 36.87 Lakhs. For the financial year 2021-2022 the other income of our Company increased to ₹59.53 Lakhs as against ₹19.81 lakhs in the Financial Year 2020-2021 representing a significant increase of 200.46%.

Total Expenses:

The total expense for the six months period ended September 30, 2022 stood at Rs. 10,288.94 lakhs. For financial year 2021-22, it increased to Rs. 17,291.22 Lakhs from Rs. 13,333.81 lakhs in the Financial Year 2020-21 representing an increase of 29.68%

Raw Material Consumption:

The raw material consumed during half year ended September 30, 2022 stood at Rs. 9,359.55 lakhs. For the financial year 2021-2022 it was increased to ₹15,208.41 Lakhs from ₹11,980.119 Lakhs in the Financial Year 2020-2021 representing an increase of 26.95%. Such increase was due to increase in business operations of the Company

Change in inventories of finished goods, work in progress and stock in trade:

TheChange in inventories of finished goods, work in progress and stock in tradeduring half year ended September 30, 2022 stood at Rs.(319.18)lakhs There is an increase in the inventory of Finished Goods & by-products during the financial year 2021-2022 as compared to decrease in the financial year 2020-2021of 260.39% was due to decrease in closing Stock in Trade.

Employee benefits expense:

The Employee Benefits Expenses for the half year ended September 30, 2022 was Rs. 109.47 Lakhs .Our Company has incurred ₹135.35 Lakhs as Employee benefits expense during the financial year 2021-2022 as compared to ₹92.23 Lakhs in the financial year 2020-2021. The increase of 46.75% was due to increase in salaries and increase in salaries and wages.

Finance costs:

Finance Cost for the half year ended September 30, 2022 was Rs. 98.91Lakhs These costs were for the financial Year 2021-2022 decreased to ₹189.46 Lakhs as against ₹208.44 Lakhs during the financial year 2020-2021. The decrease of 9.11% was due to decrease in interest expenses and borrowing cost.

Depreciation and Amortization Expenses:

Depreciation for the half year ended September 30, 2022 was Rs. 86.06 Lakhs. Depreciation for the financial year 2021-2022 stood at ₹171.64 Lakhs as against ₹152.47 Lakhs during the financial year 2020-2021. The increase in depreciation was around 12.57% in comparison to the previous year.

Other Expenses:

Other Expenses for the half year ended September 30, 2022 stood at Rs. 954.13 lakhs. For Financial Year 2021-22, other expenses was ₹1,416.86 Lakhs during the Financial Year 2021-2022 on other expenses as against ₹1,006.24 Lakhs during the financial year 2020-2021. There was an increase of 40.81% was mainly due to increase in direct expenses, Repair and Maintenance, Security Expenses, Freight outwards and agency charges, Legal Expenses, Travelling Expenses and miscellaneous expenses.

Restated profit before tax:

Net profit before tax for half year ended September 30, 2022 was Rs. 893.49 Lakhs. For the financial year 2021-2022 increased to ₹1,255.10 Lakhs as compared to ₹694.76 Lakhs in the financial year 2020-2021, which was majorly due to factors as mentioned above.

Restated profit for the year:

The Company reported Restated profit after tax for half year ended September 30, 2022 was Rs. 681.74 Lakhs. For the financial year 2021-2022 of ₹934.65 Lakhs in comparison to ₹523.07 lakhs in the financial year 2020-2021 majorly due to factors mentioned above. The increase of 78.68% was mainly due to increase in the revenue as mentioned above.

Financial Year 2021 Compared to Financial Year 2020 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2020-2021 stood at ₹14,075.89 Lakhs whereas in Financial Year 2019-2020 the same stood at ₹5,837.14 Lakhs representing significant increase of 141.14%. The main reason of increase was increase in the business operations of the company.

Revenue from Operations:

During the financial year 2020-2021 the net revenue from operation of our Company increased to ₹14,056.08 Lakhs as against ₹5,801.36 Lakhs in the Financial Year 2019-2020 representing significant increase of 142.29% on account of expansion in business operations of the Company i.e. in F.Y. 2020-21, the capacity utilization of the Company has increased to 84.72% from 46.46% in previous financial year on account of below reason:-

- In June 2019, the Company was acquired by Raipur-based GR Group from the MSP Group. Prior to the acquisition, the Chandrapur plant was not operational since the year 2012. In F.Y. 2019-20, the current management made efforts to operationalize the plant and search the customers, pursuant to which the capacity could be utilized to 46.46% only. Whereas, in the beginning of F.Y. 2020-21, the Chandrapur plant was in full operations and the customer base was already in existence, on account of which Company was able to achieve revenue of Rs. 14,056.08 lakhs and capacity was utilized to an extent of 84.72%

Other Income:

During the financial year 2020-2021 the other income of our Company has decreased to ₹19.81 Lakhs as against ₹35.78 lakhs in the Financial Year 2019-2020 representing a decrease of 44.62% due to the risk factor of interest from fixed deposits and other income.

Total Expenses:

The total expense for the financial year 2020-2021 increased to ₹13,333.81 Lakhs from ₹6,018.55 Lakhs in the Financial Year 2019-2020 representing an increase of 121.55%. Such increase was due to increase in business operations of the Company.

Raw Material Consumption:

The Raw Material Consumption for the financial year 2020-2021 has significantly increased from ₹11,980.11 Lakhs as compared to ₹5,075.50 Lakhs in the Financial Year 2019-2020 representing a significant increase of 136.04%. Such increase was due to increase in business operations of the Company

Change in inventories of finished goods, work in progress and stock in trade:

There is a net decrease in the inventory of Finished Goods & by-products during the financial year 2021-2022 as compared to decrease in the financial year 2020-2021 of 34.72% was due to increase in closing Stock in Trade.

Employee benefits expense:

Our Company has incurred ₹92.23 Lakhs as Employee benefits expense during the financial year 2020-2021 as compared to ₹97.94 Lakhs in the financial year 2019-2020. The decrease of 5.83% was due to decrease in salaries and wages.

Finance costs:

These costs were for the financial Year 2020-2021 increased to ₹208.44 Lakhs as against ₹83.41 Lakhs during the financial year 2019-2020. The significant increase of 149.91% was due to increase in interest expenses.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2020-2021 stood at ₹152.47 Lakhs as against ₹135.23 Lakhs during the financial year 2019-2020. The increase in depreciation was around 12.76% in comparison to the previous year.

Other Expenses:

Our Company has incurred ₹1,006.24 Lakhs during the Financial Year 2020-2021 on other expenses as against ₹788.36 Lakhs during the financial year 2019-2020. There was an increase of 27.64% in comparison to the previous year.

Restated profit/ (loss) before tax:

Net profit before tax for the financial year 2020-2021 increased to ₹742.08 Lakhs as compared to loss before tax ₹181.42 Lakhs in the financial year 2019-2020, which was majorly due to factors as mentioned above.

Restated profit/ (loss) for the year:

The Company reported Restated profit after tax for the financial year 2020-2021 of ₹523.07 Lakhs in comparison to Restated PAT for the year ₹369.46 lakhs in the financial year 2019-2020 majorly due to factors mentioned above. The increase of 41.58% was mainly due to increase in the revenue as mentioned above.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income 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.

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 24 of the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 24, 101 and 181 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

As we operate in single segment i.e. sponge iron & its by-products, the same is not applicable on our Company

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

7. Seasonality of business

The business of our Company is not seasonal in nature

8. Dependence on single or few customers

Substantial portion of our revenues has been dependent upon few customers, with which we do not have any firm commitments. For instance, our top five customers for the six months ended September 30, 2022, F.Y. ended March 31, 2022 and March 31, 2021 accounted for 79.94%, 76.58% and 81.38% of our revenue from operations for the respective year. For further details, refer risk factor, “**Substantial portion of our revenues has been dependent upon few customers, with which we do not have any firm commitments. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.**” on page 24 of this Prospectus.

9. Competitive conditions

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 89 and 101 respectively of this Prospectus.

10. Details of material developments after the date of last balance sheet i.e. September 30, 2022 :

After the date of last Balance sheet i.e. September 30, 2022, the following material events have occurred after the last audited period –

- a) Our Company has approved the Draft Prospectus vide resolution in the Board Meeting dated September 30, 2022 and Prospectus vide resolution in the Board Meeting dated December 28, 2022.
- b) In order to fund our expansion plan, we have obtained a sanction letter for a term loan of Rs. 180 crores from State Bank of India, which is under our consideration.

CAPITALIZATION STATEMENT

(Rs. in lakhs)

| Particulars | Pre Issue | Post Issue |
|---|-----------------|-----------------|
| Borrowings | | |
| Short term debt (A) | 993.72 | 993.72 |
| Long Term Debt (B) | 614.46 | 614.46 |
| Total debts (C) | 1608.17 | 1608.17 |
| Shareholders' funds | | |
| Equity share capital | 1,776.28 | 2,413.48 |
| Reserve and surplus - as restated | 2,696.89 | 4481.05 |
| Total shareholders' funds | 4,473.17 | 6,894.53 |
| Long term debt / shareholders funds (in Rs.) | 0.14 | 0.09 |
| Total debt / shareholders funds (in Rs.) | 0.36 | 0.23 |

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but excludes installment of term loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2022.
4. The reserves and surplus amount has not been adjusted for share issue expenses on account of the proposed Issue.
5. . The equity share capital and reserves and surplus(post-issue) has been determined after taking impact of proposed IPO of 63,72,000 equity shares offered at a price of Rs. 38/- per share (including securities premium of Rs. 28/- per share).

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors and Promoters.

Our Board, in its meeting held on August 17, 2022, determined that outstanding legal proceedings involving the Company, Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 5% of profit after tax of the Company, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) Criminal proceedings filed by the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the Company.

(c) Actions by statutory and regulatory authorities against the Company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) Tax Proceedings

| Nature of Proceedings | Number of cases | Amount involved* (Rs. in lakhs) |
|-----------------------|-----------------|---------------------------------|
| Direct Tax | 7 | 192.89 |
| Indirect Tax | 2 | 11.50 |
| Total | 9 | 204.39** |

*To the extent quantifiable

**Due to change in Management of the Company in 2019, the existing Management is not in possession of certain litigation documents related to above cases. The above amount has been derived based on the information available on the income tax portal and limited information as available with the Company.

(e) Other pending material litigations against the Company

As on the date of this Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Company

i. Chaman Metallics Limited Vs. Maharashtra Rajya Surksha Rakshak and Kantrati Karmchari Sena and its officials

A case has been filed by our Company against Maharashtra Rajya Suraksha Rakshak and Kantrati Karmchari Sena and its officials (“Respondents”) bearing Complaint No. C(ULP) No. 08 of 2021 before the Industrial Court, Chandrapur (“Hon’ble Court”) seeking an order that the Respondents support instigation of Strike which was proposed from 08.04.2021 to be declared as unfair practice, our company had also prayed for grant of perpetual injunction restraining the respondents, its members, supporters etc. from commencing, supporting or instigating the proposed strike and agitation from 08.04.2021 and anytime thereafter and as well as on Sundays. Our Company had further prayed for an order of grant of injunction restraining the respondents, its members, supporters etc. from taking up agitation activities in the property of our company and restraining them from carrying our certain activities as pleaded in the complaint. The same is pending adjudication before the Industrial Court, Chandrapur.

ii. Chaman Metallics Limited Vs. Union of India, Ministry of Coal

A civil case has been filed by our Company against the Union of India & others bearing no. WP/1210/2020 before the Hon’ble High Court of Bombay (Bench at Nagpur) (“Hon’ble Court”).

iii. **Chaman Metallics Limited Vs. Union of India, Ministry of Coal**

A civil case has been filed by our Company against the Union of India & others bearing no. CAW/919/2022 before the Hon'ble High Court of Bombay (Bench at Nagpur) ("Hon'ble Court").

iv. **Chaman Metallics Limited Vs. SND Iron Private Limited**

A complaint case has been filed by our Company against the SND Iron Private Limited bearing no. complaint case no/3200/2011 before the Hon'ble Chief Judicial Magistrate, Alipur, South 24 Parganas ("Hon'ble Court").

As on date of this Prospectus, the documents pertaining to the case number (ii) to (iv) are not in possession of the Company, thus the limited information of the aforesaid cases has been determined from the websites of courts.

B. LITIGATIONS INVOLVING THE DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Directors of the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Directors.

(b) Criminal proceedings filed by the Directors of the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the Directors of the Company.

(c) Actions by statutory and regulatory authorities against the Directors of the Company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors.

(d) Tax Proceedings

| Tax Liability | Number of cases | Amount Involved* (Rs. In Lacs) |
|----------------------|------------------------|---------------------------------------|
| Direct Tax | | |
| Chetan Kumar Agrawal | 1 | 0.11 |
| Keshav Kumar Agrawal | 1 | 0.88 |
| Indirect Tax | Nil | Nil |
| Total | 2 | 0.99 |

**To the extent quantifiable*

(e) Other pending material litigations against the Directors of the Company

As on the date of this Prospectus, there are no such outstanding litigations initiated against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Directors of the Company

As on the date of this Prospectus, there are no such outstanding litigations initiated by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

C. LITIGATIONS INVOLVING THE PROMOTERS OF THE COMPANY

(a) Criminal proceedings against the Promoters of the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings against the Promoters/.

(b) Criminal proceedings filed by the Promoters of the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the Promoters/

(c) Actions by statutory and regulatory authorities against the Promoters of the Company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters of the Company.

(d) Tax Proceedings

Except as mentioned below, there are no pending claims related to direct and indirect taxes involving the Promoters/ of the Company:-

| Tax Liability | Number of cases | Amount Involved* (Rs. In Lacs) |
|-------------------------------|-----------------|--------------------------------|
| Direct Tax | | |
| Chetan Kumar Agrawal | 1 | 0.11 |
| Keshav Kumar Agrawal | 1 | 0.88 |
| N.R. Sponge Private Limited | 6 | 697.32 |
| G.R. Sponge and Power Limited | 2 | 5.97 |
| Indirect Tax | | |
| N.R. Sponge Private Limited | 2 | 42.37** |
| Total | 12 | 746.65 |

*To the extent quantifiable

**Out of the said two indirect tax cases of N.R. Sponge Private Ltd., one of the case involving amount of Rs. 27.83 lakhs pertain to CST matter for A.Y. 2011-12, the documents of which are not in possession of the Company. We have relied on the audited balance sheet for the financial year 2021-2022 of the Company to ascertain the said amount.

(e) Other pending material litigations against the Promoters of the Company

i. Chhattisgarh State Power Distribution Co. Ltd. Vs. Chhattisgarh State Electricity Regulatory Commission & G.R. Sponge & Power Ltd.

A Civil Appeal No. 3034 of 2018 has been filed by Chhattisgarh State Power Distribution Co. Ltd. (“**Petitioner**”) Vs. Chhattisgarh State Electricity Regulatory Commission & G.R. Sponge & Power Ltd. (“**Respondents**”). The same is pending adjudication before Hon’ble Supreme Court of India (“**Hon’ble Court**”), wherein the Petitioner has challenged the Order dated 27.09.2017 passed by Appellate Tribunal for Electricity, New Delhi (**APTEL**) and had arrayed Respondents. The challenge vide the present Civil Appeal is with respect to non-interference by the APTEL on the adjustment of POC against CSS to be billed to a generator on account of loss of captive status as per sub-rule (2) of Rule 3 of the Electricity Rules 2005, which stands settled by APTEL’s judgment dated 09.02.2010 in Appeal Nos. 119 of 2009, whereby the APTEL had upheld the finding of State Commission.

Since, an appeal by Petitioner was pending before the Hon’ble Supreme Court vide the aforesaid order dated 09.02.2010 of APTEL, the Petitioner has also challenged the present Order dated 27.09.2017 and got the same tagged with the earlier appeal. The said appeals were lastly listed on 20.09.2022 and is now listed for 11.10.2022 for consideration.

ii. Reference of Court on its Own Motion v/s G.R. Sponge & Power Ltd. & Others

A PIL bearing no. WPPIL/87/2016 has been filed in reference of Court on its Own Motion (matter related to largest interest of the workers working in Coal Fired Thermal Power Plants in the state (“**Petitioner**”) against G.R. Sponge & Power Ltd. & Others (“**Respondents**”) before the Hon’ble High Court of Chhattisgarh (“**Hon’ble Court**”). The PIL has been filed through a judgement of Hon’ble supreme Court Order of ‘Occupational Health and Safety Association Vs. Union of India’, where the Registrar General of High Courts of Chhattisgarh have been directed to place this judgement before the Chief Justices of respective states to initiate *suomoto* proceedings in the larger interest of the workers working in CFTPPs in their respective states. Hence, this PIL is filed against the Company. The matter is pending before the Hon’ble Court.

(f) Other pending material litigations filed by the Promoters of the Company

i. N.R. Sponge Private Limited v/s Union of India, Coal India Ltd, South Eastern Coalfields Ltd.&State of Chhattisgarh

A writ petition bearing no. 3610 of 2021 has been filed before the Hon’ble High Court of Chhattisgarh (“**Hon’ble Court**”) by N.R. Sponge Private Limited (“**Petitioner**”) against Union of India & Others (“**Respondents**”) for non-performance of a clause in Fuel Supply Agreement (“**FSA**”) entered with Coal India Limited. The Petitioner made a representation for renewal of FSA as per clause mentioned therein, but Respondents without giving any reasons or opportunity of hearing communicated FSA shall not renew. The case is pending before the Hon’ble Court.

ii. N.R. Sponge Private Limited v/s Steel Authority of India Limited, Bhilai Steel Plant and Union of India

A writ petition bearing no. 4627 of 2021 has been filed before the Hon’ble High Court of Chhattisgarh (“**Hon’ble Court**”) by N.R. Sponge Private Limited (“**Petitioner**”) against Steel Authority of India & Others (“**Respondents**”). The matter pertains to violation of the Petitioner’s right by the Respondents action of the respective and ex-post facto application of Mines and Minerals (Development and Regulation) Amendment Act, 2021 notified on 28.03.2021 and levying additional amount as per the amendment. The Petitioner prays to recover Rs. 166.13 Lakhs along with interest along with payment of under quantity supply amounting to Rs. 46.46 Lakh along with applicable interest. The case is pending before the Hon’ble Court.

iii. G.R. Sponge & Power Limited v/s Union of India, Coal India Ltd, South Eastern Coalfields Ltd.&State of

Chhattisgarh

A writ petition bearing no. 3634 of 2021 has been filed before the Hon'ble High Court of Chhattisgarh ("**Hon'ble Court**") by G.R. Sponge & Power Limited ("**Petitioner**") against Union of India & Others ("**Respondents**") for non-performance of a clause in Fuel Supply Agreement ("**FSA**") entered with Coal India Limited. The Petitioner made a representation for renewal of FSA as per clause mentioned therein, but Respondents without giving any reasons or opportunity of hearing communicated FSA shall not renew. The case is pending before the Hon'ble Court.

iv. **G.R. Sponge & Power Limited v/s Union of India, Coal India Ltd, South Eastern Coalfields Ltd.&State of Chhattisgarh**

A writ petition bearing no. 2273 of 2016 has been filed before the Hon'ble High Court of Chhattisgarh ("**Hon'ble Court**") by G.R. Sponge & Power Limited ("**Petitioner**") against Union of India & Others ("**Respondents**") against invocation of Bank Guarantee given by the Petitioner in Fuel Supply Agreement ("**FSA**") dated 26.04.2008 (FSA No. 128) for alleged breach committed by Petitioner in FSA dated 30.04.2008 (FSA No. 129). The case is pending before the Hon'ble Court.

v. **G.R. Sponge & Power Limited v/s State of Chhattisgarh, The Chief Electrical Inspector, Chief General Manager, District Industries and Trade Centre & Additional Director, Industrial Department.**

A writ petition bearing no. 885 of 2015 has been filed before the Hon'ble High Court of Chhattisgarh ("**Hon'ble Court**") by G.R. Sponge & Power Limited ("**Petitioner**") against State of Chhattisgarh & Others ("**Respondents**") against rejection of their application for grant of electricity duty exemption to its power generation unit, by the Respondents. The case is pending before the Hon'ble Court.

vi. **G.R. Sponge & Power Limited v/s Chhattisgarh State Electricity Regulatory Commission**

A case has been filed by our Company against Chhattisgarh State Electricity Regulatory Commission ("**Respondent**") bearing no. OP 03/2013 before Appellate Tribunal for Electricity, New Delhi ("**Hon'ble Court**"). The Company is not in possession of documents related to this case.

vii. **G.R. Sponge & Power Limited v/s South Eastern Coalfields Ltd., Union of India (Ministry of Coal) & Coal India Ltd.**

A writ petition bearing no. 2531 of 2016 has been filed before the Hon'ble High Court of Chhattisgarh ("**Hon'ble Court**") by G.R. Sponge & Power Limited ("**Petitioner**") against South Eastern Coalfields Ltd. & Others ("**Respondents**") against notices dated 16.08.2016 and 28.11.2015 issued by South Eastern Coalfields Ltd. whereby they had decided the representation of the Petitioner and held breach of clauses of FSA dated 30.04.2008. The case is pending before the Hon'ble Court.

D. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY

As on the date of this Prospectus, there are no outstanding litigations initiated by or against the Group Company, which have been considered material by the Company in accordance with the Materiality Policy.

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on September 30, 2022 were Rs. 1988.42 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 99.42 lakhs as on September 30, 2022. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on August 17, 2022. As on March 31, 2022, there are five creditors to each of whom our Company owes amounts exceeding 5% of our Company's total trade payables and the aggregate outstanding dues to them being approximately Rs. 779.21 lakhs. The details pertaining to amounts due towards material creditors are available on the website of our Company. Further, based on the information available with the Company, there are three creditors, having an aggregate due amount of Rs. 1.38 lakhs which are registered under the Micro, Small and Medium Enterprises Development Act, 2006.

As on September 30, 2022, our Company owes amounts aggregating to Rs. 1988.42 lakhs approximately towards 86 creditors. There are no disputes with such entities in relation to payments to be made to them.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 181 of this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/ regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “*Key Industrial Regulations and Policies*” at page 107 of this Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on July 12, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Annual General Meeting held on August 04, 2022 authorized the Issue.

Approval from the Stock Exchange:

In-principle approval dated November 29, 2022 from the SME Platform of NSE for using the name of the Exchange in the offer documents for listing of the Equity Shares issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL:

1. The company has entered into an agreement dated July 21, 2022 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated July 13, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The International Securities Identification Number (ISIN) of our Company is INE06PV01010

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

1. Certificate of Incorporation dated November 10, 2003 issued by the Registrar of Companies, Mumbai, Maharashtra in the name of “Chaman Metallics Private Limited”.
2. Fresh Certificate of Incorporation dated April 22, 2008 issued by the Registrar of Companies, Mumbai, Maharashtra, in the name of “Chaman Metallics Limited” pursuant to conversion of Company to public limited company.
3. The Corporate Identification Number (CIN) of our Company is U27100MH2003PLC143049.

III. GENERAL APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. INDUSTRIAL AND LABOUR LAW RELATED APPROVALS:

| Sr. No | Description | Applicable laws | Authority | Registration number | Date of Certificate | Date of Expiry |
|--------|---|---|--|---------------------|---------------------|-----------------------|
| 1 | Factory License | Factories Act, 1948 | Directorate of Industrial Safety and Health, Government of Maharashtra | 120900453200943 | 06/11/2019 | 31/12/2024 |
| 2 | MSME Udyog Aadhaar Memorandum/ Entrepreneurs Memorandum | Micro, Small and Medium Enterprises (MSME) Act, 2006 | Ministry of Micro, Small and Medium Enterprises | UDYAM-MH-08 0005513 | 20/03/2021 | Valid until cancelled |
| 3 | Certificate of Registration | The Employee State Insurance Act, 1948 | Asst/Deputy Director | 23000143370000999 | 27/06/2019 | Valid until cancelled |
| 4 | Certificate of Registration | The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Employees' Provident Fund Organisation | NGNAG0065276000 | 18/02/2015 | Valid until cancelled |
| 5 | Contract Labour License | Contract Labour (Regulation & Abolition) Act, 1970 | Office of the Assistant Commissioner | 1952600710016774 | 28/04/2005 | 31/12/2024 |
| 6 | Certificate of Registration | Chhattisgarh shops & establishments act, 1958 | Revenue Officer | 006700/RPR/CE/2022 | 15/12/2022 | Valid until cancelled |

B. TAX RELATED APPROVALS:

| Sr. No | Description | Applicable laws | Authority | Registration number | Date of Certificate | Date of Expiry |
|--------|--|---|--|---------------------|---------------------|-----------------------|
| 1. | Permanent Account Number (PAN) | Income Tax Act, 1961 | Income Tax Department, Government of India | AACCC3756E | 10/11/2003 | Valid until cancelled |
| 2. | Tax Deduction Account number (TAN) | Income Tax Act, 1961 | Income Tax Department, Government of India | NGPC02843B | - | Valid until cancelled |
| 3. | Goods & Service Tax Registration Certificate | Central Goods and Service Tax Act 2017 | Government of India | 27AACCC3756E1ZT | 01/07/2017 | Valid till cancelled |
| 4. | Professional Tax Registration | Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 | DS Department of Maharashtra | 27700328102P | 10/08/2009 | Valid till cancelled |

C. ENVIRONMENTAL LAW RELATED APPROVALS:

| Sr. No | Description | Authority | Registration number | Date of Certificate/Approval | Date of Expiry |
|--------|----------------------|-------------------------------------|---------------------------|------------------------------|---|
| 1. | Consent to Establish | Maharashtra Pollution Control Board | MPCB- CONSENT- 0000128861 | 07/09/2022 | Valid for a period up to commissioning of the unit or up to 5 year whichever is earlier |

| | | | | | |
|----|--------------------|-------------------------------------|---------------------------------|------------|------------|
| 2. | Consent to Operate | Maharashtra Pollution Control Board | MPCB- CONSENT- 0000127412 | 22/07/2022 | 28/02/2024 |
|----|--------------------|-------------------------------------|---------------------------------|------------|------------|

D. QUALITY CERTIFICATIONS & MISCELLANEOUS APPROVALS:

| Sr. No | Description | Issuing Authority | Registration number | Date of Certificate | Date of Expiry |
|--------|---|-----------------------------------|---------------------|---------------------|----------------|
| 1. | ISO Certificate for Occupational Health & Safety Management System (ISO 45001:2018) | LMS certification Private Limited | IN121135C-1 | 28/09/2022 | 27/09/2025 |
| 2. | ISO Certificate for Environmental Management System (ISO 14001:2015) | LMS certification Private Limited | IN121135B | 28/09/2022 | 27/09/2025 |
| 3. | ISO Certificate for Quality Management System (ISO 9001:2015) | LMS certification Private Limited | IN121135A | 28/09/2022 | 27/09/2025 |

IV. APPROVALS OR LICENCES APPLIED BUT NOT RECEIVED

1. We have made an application seeking Environment Clearance (EC) for the expansion of the manufacturing facility, under the provisions of the EIA Notification, 2006 with the Ministry Of Environment, Forest and Climate Change, which is pending for approval.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Further, pursuant to the Board resolution passed by our company dated August 17, 2022 for the adoption of the Materiality Policy for identification of the Group company, a company shall be considered material and shall be disclosed as a Group Company in this Prospectus if:

- (i) such company that forms a part of the Promoter Group of our Company in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations; and
- (ii) Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financials Statements.

Based on the above, the following Companies are identified as our Group Companies:-

- i. G.R. Ecotech Private Limited.
- ii. AryabhattachSales Pvt Ltd.
- iii. G.R. Minerals and Industries Private Limited.
- iv. Maa Danteshwari Pellet and Steel Private Limited.
- v. G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited).
- vi. G. R. Metaliks and Industries Private Limited

Details of our Group Companies:

1. GR. Ecotech Private Limited.

G.R. Ecotech Private Limited was incorporated on November 21, 2007 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Chhattisgarh.

| | |
|--------------------------|--|
| CIN | U27100CT2007PTC008476 |
| PAN | AAGCA7249A |
| Registered Office | GR House, Agrawal Complex Opp. Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh – 492 001 |

2. Aryabhattach Sales Private Limited

Aryabhattach Sales Private Limited was incorporated on March 24, 1994 as a Private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, West Bengal.

| | |
|--------------------------|---|
| CIN | U51109CT1994PTC008302 |
| PAN | AACCA4046M |
| Registered Office | "GR House" Agrawal Complex, Opp. Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh - 492 001. |

3. G R Minerals and Industries Private Limited

G R Minerals and Industries Private Limited was incorporated on October 29, 1996 as a Private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Madhya Pradesh, Gwalior.

| | |
|--------------------------|---|
| CIN | U27100CT1996PTC011369 |
| PAN | AAACG8767F |
| Registered Office | Agrawal Complex, Samta Colony, Raipur, Chhattisgarh – 492 001 |

4. Maa Danteshwari Pellet and Steel Private Limited

Maa Danteshwari Pellet and Steel Private Limited was incorporated on September 22, 2020 as a Private Limited Company under the Companies Act 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Chhattisgarh.

| | |
|--------------------------|--|
| CIN | U27320CT2020PTC010632 |
| PAN | AANCM8356R |
| Registered Office | Shop No. 218-219, 2nd Floor, Lal Ganga Midas Complex, Fafadih Raipur Chhattisgarh 492004 |

5. G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited)

G.R. Krishna Ferro Alloys Private Limited (formerly known as Prithvi Ferro Alloys Private Limited) was incorporated on January 22, 2008 as a Private Limited Company under the Companies Act 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, West Bengal.

| | |
|--------------------------|--|
| CIN | U27100WB2008PTC121962 |
| PAN | AADCR8843E |
| Registered Office | CF-361, Salt Lake City Sector-I Kolkata West Bengal 700064 |

6. G. R. Metaliks and Industries Private Limited

G.R. Metaliks and Industries Private Limited was incorporated on October 01, 1991 as a Private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Chhattisgarh.

| | |
|--------------------------|---|
| CIN | U28112CT1991PTC006679 |
| PAN | AABCR0945B |
| Registered Office | Agrawal Complex, Samta Colony, Raipur, Chhattisgarh – 492 001 |

Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our company at <http://www.cmlgrgroup.com/>.

It is clarified that such details available on our group companies' websites do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

Litigations

Our Group Companies does not have any pending litigation which can have a material impact on our Company.

Common pursuits among Group Companies

Maa Danteshwari Pellet and Steel Private Limited is engaged in the business of Sponge Iron, which is similar line of business as of our Company. Our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. For further details, see "**Risk Factor**" on page 24.

Nature and extent of interest of our Group Companies

a) Interest in the promotion of our Company

G.R. Ecotech Private Limited, Aryabhatt Sales Private Limited and G R Minerals and Industries Private Limited are the shareholders in our Company. For further details, please see "Capital Structure" on page 53.

b) Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section “*Other Financial Information –Related Party Transactions*” on page 168, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section “*Other Financial Information –Related Party Transactions*” and “*History and certain Corporate Matters*” on page 168 and page 116, our Group Companies have no business interests in our Company.

Other confirmations

- a) None of the above-mentioned Group Companies has made any public and/ or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies are in defaults in meeting any Statutory/ bank/ institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Undertaking/ Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been:

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoter (as defined under the Companies Act) nor our Group companies /Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. <http://www.cmlgrgroup.com/>.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on July 12, 2022 and our Shareholders have approved the Fresh Issue pursuant to the resolution passed at their Annual General Meeting held on August 04, 2022 under Section 62(1) (c) of the Companies Act, 2013.

In-principal Approval

Our Company has obtained in-principal approval from the NSE EMERGE for using its name in this Prospectus pursuant to an approval letter dated November 29, 2022 NSE which is the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

As on date of this Prospectus, we confirm that our Company, our Promoters, our Promoter Group, our Directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies, with which our Directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our Directors are associated with as promoters or directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our Directors are associated with as promoters or directors.

Prohibition with respect to wilful defaulter or a fraudulent borrower

Neither our Company, our Promoters, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulter or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Prospectus, there are no such significant beneficial owners in our Company.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than ten crores rupees but less than twenty five crores and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME NSE Platform").

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 49 of this Prospectus.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working 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 eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Prospectus/ Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE EMERGE. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 50 of this Prospectus.
5. 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.
6. In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
7. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited is the Designated Stock Exchange.
8. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fullyPaid-up.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.

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, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- 1) Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated July 21, 2022 and National Securities Depository Limited dated July 13, 2022 for establishing connectivity.
- 2) Our Company has a website i.e. www.cmlrgroup.com

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE EMERGE:-

There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE EMERGE.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

- 1) Our Company was incorporated as “Chaman Metallics Private Limited” on November 10, 2003. Subsequently, pursuant to special resolution passed by the shareholders of the Company at the Extra ordinary general meeting held on February 22, 2008 the company was changed into a Public Limited Company and renamed as “Chaman Metallics Ltd” vide a fresh certificate of incorporation dated April 22, 2008, bearing CIN: U27100MH2003PLC143049 issued by the Registrar of Companies, Mumbai.
- 2) The post issue paid up capital of the company will be 2,41,34,764 shares of face value of Rs.10/- aggregating up to Rs. 24.13 Crores which is less than Rs. 25 Crores.
- 3) The Company has a track record of at least 3 years as on the date of filling Prospectus.
- 4) As on September30, 2022, the Company has net tangible assets of Rs. 9084.33 lakhs.
- 5) The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on March 31, 2022, 2021 and 2020 is positive.

(In Rs. Lacs)

| Particular | Year ending March 31, 2022 | Year ending March 31, 2021 | Year ending March 31, 2020 |
|------------|-------------------------------|-------------------------------|-------------------------------|
|------------|-------------------------------|-------------------------------|-------------------------------|

| | | | |
|----------|----------|----------|----------|
| EBITDA | 1,549.83 | 1,071.33 | (1.55) |
| Networth | 3,807.94 | 2,873.29 | 2,350.21 |

- 6) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
- 7) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- 8) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- 9) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- 10) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years
- 11) There is no change in the promoters of the company in preceding one year.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT / OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT. THE LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR), REGULATION 2018.

The filing of this Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Draft Prospectus/ Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

| Sr. No | Issue name | Issue size (Rs in Cr.) | Issue Price (Rs.) | Listing date | Opening Price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing |
|--------|-----------------|------------------------|-------------------|----------------|-------------------------------|---|---|---|
| 1 | Krishna Defence | 11.89 | 39.00 | April 06, 2022 | 75.00 | 112.82% | 30.54% | 126.54% |

- d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.hemsecurities.com

Disclaimer from our Company and the Lead Manager

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (Hem securities Limited), and our Company on September 29, 2022 and the Underwriting Agreement dated December 22, 2022 entered into between the Underwriter, and our Company and the Market Making Agreement dated December 22, 2022 entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Lead Manager 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, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

Note

Investors who apply in the 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 of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity 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 Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Chandrapur, Maharashtra, India 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. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE

As required, a copy of this Offer Document has been submitted to NSE Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1916 dated November 29, 2022, permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

This Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the Prospectus shall be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus, required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, 100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated November 29, 2022 for listing of equity shares on SME Platform of NSE (NSE EMERGE).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE EMERGE is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. 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 to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Lead Manager, Registrar to the Issue, Banker to the Issue, Legal Advisor to the Issue, Sponsor Bank, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, OP Singhania & Co., Chartered Accountants, (Firm Registration No.as 002172C) of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Experts Opinion

Except for the reports in the section titled “Financial Statements and “Statement of Tax Benefits” on page 142 and 86 respectively of this Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Fees, Brokerage and Selling Commission payable

The total fees payable to the Lead Manager will be as per the (i) Agreement dated September 28, 2022 with the Lead Manager, (ii) the Underwriting Agreement dated December 22, 2022 with the Underwriter and (iii) the Market Making Agreement December 22, 2022 with the Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated September 28, 2022 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to the section titled "Capital Structure" beginning on page 53 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Previous capital issue during the last three years by listed Group Companies of our Company

Except as disclosed in "Our Group Companies – Other confirmations" on page 195, none of our listed Group Companies has undertaken a capital issue in the last three years preceding the date of this Prospectus.

Performance vis-à-vis objects

Our Company is 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. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

Option to Subscribe

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Stock Market Data for our Equity Shares

Our Company is 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. Thus, there is no stock market data available for the Equity Shares of our Company.

Investor Grievances and Redressal System

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Prospectus.

Investors may contact the LM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, LM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Rahul Relwani, as the Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Rahul Relwani

Address: 16/167, G.R. House, Agrawal Complex, opposite Pandey Nursing Home, Samta Colony, Raipur, Chhattisgarh.

Tel. No.: 0771-4259100

E-mail: cs@cmlgrgroup.com

Website: www.cmlgrgroup.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Board by a resolution on July 26, 2022 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled "Our Management" beginning on page 120 of this Prospectus.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

For details, see the chapter "Our Group Companies" beginning on page 195 of this Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Special Tax Benefits" beginning on page 86.

Capitalization of Reserves or Profits

Save and except as stated in "Capital Structure" on page 53 of this Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

For details of revaluation of assets refer chapter History and certain corporate matters and Financial Information of the company beginning on page 116 and 142 of this Prospectus.

Servicing Behavior

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

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 or superannuation. Except as disclosed under sections titled "Our Management"; and "Related Party Transactions" beginning on page 120 and 168.

Respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provisions of securities laws, if any

Not Applicable

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, 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 all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs 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, with respect to Application by retail individual investors 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Public Issue of upto 63,72,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 12, 2022 and was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on August 04, 2022 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '**Main Provisions of Article of Association**', beginning on page 237 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "**Dividend Policy**" and "**Main Provisions of Article of Association**" beginning on page 141 and 237 respectively of this Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of Rs. 10.00 each are being offered in terms of this Prospectus at the price of Rs. 38 per Equity

Share (including premium of Rs.28per share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "*Basis for Issue Price*" beginning on page 83 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 237 of this Prospectus.

Allotment only in Dematerialized Form

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated July 13, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated July 21, 2022 between CDSL, our Company and Registrar to the Issue.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 3000Equity Shares and the same may be modified by the NSE EMERGE (SME platform of NSE) 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 3000Equity Shares is subject to a minimum allotment of 3000 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

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the 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 the monies collected shall be unblocked forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Chandrapur, Maharashtra.

The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where 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.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, 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 in accordance with Section 72 of the Companies Act, 2013 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 the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Subscription List of Public Issue

| Event | Indicative Date |
|---|------------------------------|
| Issue Opening Date | January 04, 2023 |
| Issue Closing Date | January 06, 2023 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or about January 11, 2023 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account | On or about January 12, 2023 |
| Credit of Equity Shares to Demat Accounts of Allottees | On or about January 13, 2023 |
| Commencement of Trading of The Equity Shares on the Stock Exchange | On or about January 16, 2023 |

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date may be extended in consultation with the LM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST.

Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled **“General Information - Underwriting”** on page 49 of this Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above Rs. 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE EMERGE), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled "**General Information - Details of the Market Making Arrangements for this Issue**" on page 50 of this Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 3000 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 SME platform of NSE Limited.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions 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 minimum contribution in the Issue as detailed under section titled "**Capital Structure**" beginning on page 53 of this Prospectus, and except as provided in the Articles of Association of our Company,

there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "**Main Provisions of the Articles of Association**" beginning on page 237 of this Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

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 and regulations, which may occur after the date of this 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 and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than or equal to ten Crore rupees but less than twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("**SME Exchange**", in this case being the NSE EMERGE i.e. SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "**Terms of the Issue**" and "**Issue Procedure**" on page 207 and 216 of this Prospectus.

Issue Structure:

Initial Public Issue of upto 63,72,000 Equity Shares of Rs. 10 each (the "Equity Shares") for cash at a price of Rs. 38 per Equity Share (including a Share Premium of Rs. 28 per Equity Share), aggregating up to Rs. 2421.36 Lakhs ("the Issue") by the issuer Company (the "Company").

The Issue comprises a reservation of upto 3,24,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of upto 60,48,000 Equity Shares of Rs. 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 26.40% and 25.06%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

| Particulars of the Issue | Net Issue to Public | Market Maker Reservation Portion |
|---|---|---|
| Number of Equity Shares available for allocation⁽¹⁾ | 60,48,000 Equity Shares | 3,24,000 Equity Shares |
| Percentage of Issue Size available for allocation | 94.92 % of the Issue Size | 5.08% of the Issue Size |
| Basis of Allotment | Proportionate subject to minimum allotment of 3000 Equity Shares and further allotment in multiples of 3000 Equity Shares each. For further details please refer to " Issue Procedure - Basis of Allotment " on page 220 of this Prospectus. | Firm Allotment |
| Mode of Application | All the applicants shall make the application (Online or Physical) through ASBA Process (for Non-Retail Investors) and through UPI Mechanism (for retail Investors). | Through ASBA Process Only. |
| Mode of Allotment | Compulsorily in dematerialized form. | Compulsorily in dematerialized form. |
| Minimum Application Size | <u>For Other than Retail Individual Investors:</u> Such number of Equity Shares in multiples of 3000 Equity Shares at an Issue price of Rs. 38 each, such that the Application Value exceeds Rs. 2,00,000/- <u>For Retail Individuals Investors:</u> 3000 Equity Shares at an Issue price of Rs. 38 each. | 3,24,000 Equity Shares |
| Maximum Application Size | <u>For Other than Retail Individual Investors:</u> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. <u>For Retail Individuals Investors:</u> 3000 Equity Shares at an Issue price of Rs. 38 each. | 3,24,000 Equity Shares |
| Trading Lot | 3000 Equity Shares | 3000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| Terms of Payment⁽²⁾ | Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form. In case of UPI as an alternate mechanism, application amount shall be blocked at the time of confirmation of mandate collection request by applicant. | |
| Application Lot Size | 3000 Equity Share and in multiples of 3000 Equity Shares thereafter | |

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to "**Issue Structure**" on page 213 of this Prospectus.

¹⁾ Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:

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

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

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

²⁾ In case of ASBA Applicants, the SCSB shall be Authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

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

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) registration of the Prospectus with ROC.

Issue Programme

| | |
|---------------------------|------------------|
| ISSUE OPENING DATE | January 04, 2023 |
| ISSUE CLOSING DATE | January 06, 2023 |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays)

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Draft Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be 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 RIBs 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 Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

PART A

Fixed Price Issue Procedure

The Issue is being made in compliance with the provisions of Reg. 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

Application Form

Retail Individual Applicants can submit their Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, the SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Application Forms will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download on the website of the Company, Lead Manager and Stock Exchange, Emerge (www.nseindia.com), at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form or alternatively, the Retail

Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

Pursuant to SEBI Circular dated January 1, 2016 and bearing no. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also, please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

| Category | Colour* |
|--|---------|
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA) | White |
| Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | Blue |

*Excluding Electronic Application Form

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for making an Application in terms of the Prospectus.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries’)

| Sr. No. | Designated Intermediaries |
|---------|--|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4. | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5. | A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|---|--|
| For Applications submitted by Investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For applications submitted by | After accepting the application form, respective Intermediary shall capture and upload the |

| | |
|--|---|
| investors to intermediaries other than SCSBs: | relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. 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 Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager 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.

Who can apply?

Each Applicant should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Subject to the above, an illustrative list of Applicants is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and

- who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
 - n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
 - o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
 - p) Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
 - q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
 - r) Insurance funds set up and managed by army, navy or air force of the Union of India;
 - s) Multilateral and bilateral development financial institution;
 - t) Eligible QFIs;
 - u) Insurance funds set up and managed by army, navy or air force of the Union of India;
 - v) Insurance funds set up and managed by the Department of Posts, India;
 - w) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Applicants

The Application must be for a minimum of 3000 Equity Shares and in multiples of 3000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 3000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the 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).

For applications where the proportionate allotment works out to less than 3000Equity shares the allotment will be made as follows:

1. Each successful applicant shall be allotted 3000Equity shares; and
2. 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.

If the proportionate allotment to an applicant works out to a number that is not a multiple of 3000 Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 3000Equity shares subject to a minimum allotment of 3000Equity shares. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3000 Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
2. The balance net offer of shares to the public shall be made available for allotment to
 - a. Individual applicants other than retails individual investors and
 - b. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Participation by Associates /Affiliates of LM and the Syndicate Members

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in Demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Applicants:

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain such details are liable to be rejected.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The Demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non-Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

Application by FPIs (including FIIs)

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions: (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and (d) such other conditions as may be specified by SEBI from time to time. An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI. Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids: • FPIs which utilise the multi investment manager structure; • Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments; • Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; • FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager. • Multiple branches in different jurisdictions of foreign bank registered as FPIs; • Government and Government related investors registered as Category 1 FPIs; and • Entities registered as collective investment scheme having multiple share classes. The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected. Participation of FPIs in the Issue shall be subject to the FEMA Rules. The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents.

Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form Failing this, our Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- i. Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (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;
- ii. The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- iii. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application

Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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 filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

Applications by Banking Companies

In case of Applications 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 Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by Systemically Important Non-Banking Financial Companies

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Applications by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate

account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> . For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

| | |
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| For Applications submitted by investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For applications submitted by investors to intermediaries other than SCSBs: | After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the

relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Terms of payment

The entire Issue price of Rs. 38per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

PROCESS

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

BLOCKING OF FUNDS:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form of Chaman Metallics Limited.
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange

- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

UNBLOCKING OF FUNDS:

- a) After the offer close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public offer escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the offer period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

REJECTION GROUNDS UNDER UPI PAYMENT MECHANISM

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

LIST OF BANKS PROVIDING UPI FACILITY

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

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

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, Demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA

Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details* |
|--------|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form Number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on

technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity shares

- 1) The Issue is being made through the Fixed Price Process wherein 3,24,000 Equity Shares shall be reserved for Market Maker and 30,24,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
- 2) Under-subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and Filing of Prospectus with ROC

- a) Our company has entered into an Underwriting Agreement dated December 22, 2022.
- b) A copy of Prospectus will be filed with the ROC in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants

Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

General Instructions

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);

- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.Nseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. www.nseindia.com and NSE i.e. www.nseindia.com

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE (SME platform of NSE) where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) 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."

Undertakings by Our Company

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That our Promoter' contribution in full has already been brought in;
- 5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- 7) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 8) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 9) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 10) Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 11) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and

12) That none of the promoter or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

Utilization of Issue Proceeds:

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated July 13, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated July 21, 2022 between CDSL, our Company and Registrar to the Issue.

The Company's equity shares bear an ISIN No. INE06PV01010

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("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. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. 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 to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in

the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together 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 warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus

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.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 and do not exceed the applicable limits under the laws and regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

1. APPLICABILITY OF TABLE F

Subject as hereinafter provided and in so far as these presents do not modify or exclude them the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013, as amended from time to time, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

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. **“the 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 any previous company law, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards (that are required to be mandatorily applied) issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- b. **“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.
- c. **“Business Day”** shall mean a day on which scheduled commercial banks are open for normal banking business.
- d. **“Capital”** or **“Share Capital”** shall mean the authorized share capital of the Company.
- e. **“Company”** or **“The Company”** shall mean **Chaman Metalics Limited**.
- f. **“Dividend”** shall include interim dividends.
- g. **“Encumbrance”** shall mean any encumbrance including but not limited to 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;
- h. **“Memorandum”** shall mean the memorandum of association of the Company, as amended or altered from time to time.
- i. **“Paid-up”** shall mean the amount credited as paid up.
- j. **“Person”** shall be deemed to include corporations and firms as well as individuals or any association of individuals in any form.
- k. **“Seal”** shall mean the common seal for the time being of the Company, if any.
- l. **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- m. **“SEBI Listing Regulations”** includes 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.
- n. **“Securities”** or **“Security”** includes any Share, 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.

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.
- b. The Company has power, from time to time, to increase or reduce its authorised and/or issued and/or 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 of different class and/or 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. Subject to the provision of the Act and these articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose-off the same or any of them either at premium or at par, or for a consideration otherwise than in cash, to such person, in such proportion and on such terms and conditions and at such time as they may think fit from time to time.

Notwithstanding anything contained in these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment and/ or registration of transfer of such securities.

- 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 installments, 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/or 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. Subject to the provisions of Section 55 of the Companies Act, 2013 and Rules framed there under, the company may by passing a special resolution, issue preference shares redeemable within a period of 20 years from the date of issue.
- b. Subject to the provisions of the Act, the terms and conditions on and the manner in which the preference shares may be redeemed, shall also be determined by passing special resolution.

6. 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 for any money owing to the Company.

- 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 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.

B. On Other Securities

Subject to the Act and these Articles, the right of lien under this Article 6 shall extend to other Securities as well.

7. 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 authorizing 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 which 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.
- i. 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 further 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.
- j. 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.

8. 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.
- 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 or where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- c. Application for Transfer:
 - (i) An application for the registration of a transfer of the shares in the Company 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 62(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 of 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 Registered 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, citing the 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 8(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. 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 get registered himself as the holder of 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.

9. 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 thereunder, if any.
- b. Subject to the applicable provisions of the Act and these Articles, 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 and/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 provides for the same) 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 16(a).
- 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 for Beneficial Owner being 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 any media including electronic mode or by drives 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.
- 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 Article(s).

10. 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 the fact 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 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 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 be 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 till 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 will have 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.
- m. The Company may enforce a forfeiture of shares under Article 10, 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.

11. 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:

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;
- c. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;
- d. 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
- e. 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.

12. 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.

13. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES/BUY-BACK OF SHARES

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, only 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.

14. 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-fourth 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.

15. 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
 - 1. A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
 - 2. A register of Debenture holders; and
 - 3. 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.

16. 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 dematerialize its existing Shares, rematerialize its Shares held in the depository and/or to offer its fresh shares in a dematerialized 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 machine-numbered and the forms and blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary of the company 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 any person authorized by the Board of Directors 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.

1. 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.

17. SHARES AT THE DISPOSAL OF THE BOARD

- 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 thereunder. 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 16 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 Rs. 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.

18. UNDERWRITING AND BROKERAGE

- a. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate of percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
Provided that the rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.
- b. 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.
- c. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

19. 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 19(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 Article 19(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. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.
- d. 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.
- e. 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.
- f. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

20. 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.

21. 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.

22. 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.

23. BORROWING POWERS

- a. Subject to the provisions of Section 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 business of the Company or any ancillary requirements.
- 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 in their meeting 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 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 holder's 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.

24. 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 recognized 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.

25. 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.

26. 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.

27. 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 27.
- 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.

- (iii) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- d. Any agreement made under such authority shall be effective and binding on all such shareholders.

28. ANNUAL GENERAL MEETING

All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.

29. 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 or any other mode as prescribed under the Act, 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 thereunder 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. **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.
- e. **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.
- f. **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.
- g. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

30. 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 Registered 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 Registered 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. 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.

31. 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.

32. 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.

33. 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 situated or at any other place 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.

34. 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 scrutinizers from office and fill vacancies in the office of scrutinizers 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.

35. 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.

36. 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 Registered Office before the meeting.
- m. No objection shall be raised to the qualification of any person entitled to vote 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 initialed 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
 - A. is or could reasonably be regarded as, defamatory of any person, or
 - B. is irrelevant or immaterial to the proceedings, or
 - C. 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.

37. 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, non-executive and Independent Directors, as may be applicable and prescribed by Law from time to time.
- b. Subject to Article 37(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. Subject to the provisions of the Act, a chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
- d. The same individual may, at the same time, be appointed as the Chairperson of the company as well as the Managing Director or Chief Executive Officer of the company.
- e. The same individual may, at the same time, be appointed as the Director of the company as well as the Chief Financial Officer of the company.
- f. The same individual may, at the same time, be appointed as the Women Director of the company as well as Independent Director of the company subject to fulfillment of applicable provisions of the Act, or any other law of the time being in force and/or these Articles.
- g. 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.

38. 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.

39. OTHER DIRECTORSHIPS

Subject to the provisions of Section 161 of the Act the board shall be entitled to appoint any person as additional/ alternate/ technical/ financial/ nominee/ special/ managing executive/ such other designated directors whose terms of appointment shall be decided by the board in accordance with the Act.

40. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

41. 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 thereunder and of these Articles.
- e. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

42. 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.

43. 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 or in relation to, incidental to business activity of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

44. 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 37 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.

45. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR

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.

46. 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, 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 Nominee Director, Independent Director appointed or such other directors as may be appointed as non-retiring director 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.

- c. The Managing Director, Joint Managing Director, Deputy Managing Director, Manager or Whole time Director(s) or such other director as may be appointed may be liable to retire by rotation as provided in the Act at the discretion of the Board but shall be eligible for re-appointment. His/her re-appointment as a Director shall not constitute a break in his/her appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.

47. 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.

48. 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 thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Deputy Managing Director or Manager or Whole time Director(s) of the Company so appointed by the Board may 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 Wholetime Director or Deputy Managing Director or Manager be determined.

49. 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 thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

50. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of the Act, the Board of Directors, may from time to time entrust and confer by 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 ail or any of such powers.

51. 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.

- h. 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.

52. 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 which are prohibited for dealing through video conferencing and other audio visual means under the Companies (Meetings of Board and its Powers) Rules, 2014 and any amendment thereto, 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 or as the Board 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.

53. QUORUM FOR BOARD MEETING

- a. 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-third 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.
- b. 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.

54. 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.

55. 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 comply with the provisions of section 180 of the Act for exercising powers as restricted in such section.

- 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 there out 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 proceedings including 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, 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 securities (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, documents, etc and to give necessary authority for such purpose.
 - xiv. **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.
 - xv. **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 and/or revise 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.
 - xvi. **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.

- xvii. **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.
- xviii. **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.
- xix. **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, employees and workers.
- xx. **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.
- xxi. **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.

56. 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. 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.

57. 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.

58. 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.

59. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

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.

60. 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.

61. 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 61(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

62. 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 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. 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.
- g. 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.
- h. 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.
- i. 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.

- j. 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.
- k. 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.
- l. 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.
- m. 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.
- n. No unpaid Dividend shall bear interest as against the Company.
- o. Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

63. 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, shall 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.

64. 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 necessary 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.
- d. The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.
- e. No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

65. 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 or, to him to his registered address, by electronic mode.
- 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, photocopied 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.

66. 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 Registered Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

67. 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 an English or vernacular newspaper circulating in the District in which the Registered Office is situated.

68. 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.

69. INDEMNITY AND INSURANCE

- a. Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- b. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
- c. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

70. 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.

71. 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 decided by the Board of Directors from time to time by passing the resolution.

72. INSPECTION BY SHAREHOLDERS

The Register of Charges, Register of Investments, Register of Members and the Minutes of the meeting of the shareholders shall be kept at the Registered Office of the Company and shall be open, during business hours, on all business days 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.

73. 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.

74. 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.

75. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, employee, worker, 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.

76. 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 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.

SECTION IX – 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 the Company or entered into more than two years before the date of the Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 a.m. and 5 p.m. on all Working Days from the date of this Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated September 29, 2022 between our Company and the Lead Manager to the Issue.
2. Agreement dated September 28, 2022 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated October 19, 2022 among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated December 22, 2022 between our Company, Lead Manager and Market Maker.
5. Underwriting Agreement dated December 22, 2022 between our Company, Lead Manager and Underwriter.
6. Tripartite Agreement dated July 21, 2022 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated July 13, 2022 among NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated November 10, 2003 issued by the Registrar of Companies, Maharashtra, Mumbai.
3. Fresh Certificate of Incorporation dated April 22, 2008 issued by the Registrar of Companies, Maharashtra, Mumbai consequent upon change of Name of the company from “Chaman Metallica Private Limited” to “Chaman Metallica Limited”.
4. Copy of Share Purchase Agreement dated March 14, 2019 and its amendment agreements dated April 12, 2019 and June 17, 2019
5. Copy of the Board Resolution dated July 12, 2022 authorizing the Issue and other related matters.
6. Copy of Shareholder’s Resolution dated August 04, 2022 authorizing the Issue and other related matters.
7. Copies of Audited Financial Statements of our Company for the six months period ended September 30, 2022 and for financial year ended March 31, 2022, 2021 and 2020.
8. Statutory Auditors Report dated December 03, 2022 on the Restated Financial Information of our Company for the six months period ended September 30, 2022 and for financial years ended March 31, 2022, 2021 and 2020.
9. Copy of the Statement of Tax Benefits dated August 17, 2022 from the Statutory Auditor.
10. Consents of the Lead Manager, Market Maker, Underwriter, Legal Advisor to the Issue, Registrar to the Issue, Statutory Auditor of the Company, Bankers to our Company, Bankers to Issue/Sponsor Bank, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated September 30, 2022 for approval of Draft Prospectus and dated December 28, 2022 for approval of Prospectus
12. Due Diligence Certificate from Lead Manager dated September 30, 2022.
13. Approval from NSE vide letter dated November 29, 2022 to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE EMERGE (SME Platform of the National Stock Exchange).

DECLARATION

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Offer document is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Offer document are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

| Name and Designation | Signature |
|--|------------------|
| Chetan Kumar Agrawal Chairman & Managing Director DIN: 00748916 | Sd/- |
| Ramesh Kumar Agrawal Non-Executive Director DIN: 00748853 | Sd/- |
| Keshav Kumar Agrawal Joint Managing Director and Chief Financial Officer DIN: 02460958 | Sd/- |
| Ranjeet Singh Thakur Independent Director DIN: 01634319 | Sd/- |
| Sumit Dahiya Independent Director DIN: 09685509 | Sd/- |
| Disha Keshariya Independent Director DIN: 09621345 | Sd/- |

Date: December 28, 2022

Place: Raipur