DRAFT RED HERRING PROSPECTUS
Dated: October 07, 2021
Please read Section 32 of the Companies Act, 2013
(The Draft Red Herring Prospectus will be updated upon registering with the RoC)
100% Book Built Issue

Sah Polymers Limited

Our Company was originally incorporated as "Peacock Continental Limited" at Udaipur, as a Public Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated April 20 1992 issued by the Registrar of Companies, , Jaipur Rajasthan bearing number 17-06697 of 1992-1993. The name of the our company was changed to "Sah Polymers limited" and a fresh Certificate of Incorporation dated July 24 1998, consequent upon change of name was issued by Registrar of Companies, Jaipur Rajasthan. For details of changes in name and registered office of our Company since incorporation, see "History and Certain Corporate Matters" beginning on page 139.

CIN: U24201RJ1992PLC006657

Registered Office: E-260-261 Mewar Industrial Area Madri, Udaipur, Rajasthan - 313003**. Tel. No.:** 91 294 2493889**; Website:** www.sahpolymers.com;
Contact Person: Debanshu Deb, Company Secretary and Compliance officer, **E-mail:** cs@sahpolymers.com
PROMOTER OF OUR COMPANY: Sat Industries Limited

THE ISSUE

INITIAL PUBLIC ISSUE CONSISTING OF FRESH ISSUE OF UPTO 57,00,000* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF SAH POLYMERS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹ [●] LAKHS (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING ₹ [●] LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE, AGGREGATING ₹ [●] LAKHS IS HEREINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER AND THE REGIONAL NEWSPAPER [●], (HINDI BEING THE LOCAL LANGUAGE OF RAJASTHAN, WHERE OUR REGISTERED OFFICE IS SITUATED], EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED REFERRED TO AS THE "STOCK EXCHANGE" FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE.

IN CASE OF ANY REVISIONS IN THE PRICE BAND OR FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, THE ISSUER MAY, FOR REASONS TO BE RECORDED IN WRITING, MAY EXTEND THE BID / ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID / ISSUE PERIOD, WILL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PRESS RELEASE, AND ALSO BY INDICATING THE CHANGE ON THE WEBSITE OF THE BRLM AND THE TERMINALS OF THE SYNDICATE MEMBER(S).

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. The Issue is being made through the Book Building Process, in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended the ("SEBI ICDR Regulations") and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. All Bidders, shall only participate in the issue through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account (including UPI ID for RIIs using UPI Mechanism) (UPI ID, RIIs and UPI Mechanism are defined hereinafter) wherein the Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 211 of this Draft Red Herring Prospectus.

RISK IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 91 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on Emerge Platform of National Stock Exchange of India Limited. 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 25 of this DRHP.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue; that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an In-principle approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Offer document for listing of our shares on the Emerge Platform National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra East, Mumbai 400051,
Maharashtra, India
Tel: +91-22 6194 6700
Fax: +91-22 2659 8690
Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Kruthika Shetty
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, L.BS. Marg,
Vikhroli (West), Mumbai 400083,
Maharashtra, India
Tel: +91-022-49186200
Fax: +91-022-49186195
Email: sah.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Id: sah.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

ISSUE PROGRAMME

BID / ISSUE OPENS ON : [●] **BID / ISSUE CLOSES ON: [●]**

Number of shares may need to be adjusted for lot size upon determination of Issue Price.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Draft Red Herring Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

GENERAL TERMS:

Term	Description
"Sah Polymers Limited" or Sah Polymers" or "Our Company", "the Company" or "we", "us", "our", or "Issuer" or the "Issuer Company"	Unless the context otherwise requires, refers to Sah Polymers Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at E-260-261 Mewar Industrial Area Madri Udaipur Rajasthan 313003 .
"We", "us" or "our" or "Group"	Unless the context otherwise indicates or implies, refers to our Company

COMPANY RELATED TERMS:

Term	Description
AOA/ Articles/ Articles of Association	Articles of Association of *Sah Polymers Limited*, 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 *vide* Board resolution dated March 28, 2017. For details, please refer to the section titled "***Our Management***" on page 143 of this Draft Red Herring Prospectus.
Auditor or Statutory Auditor	The statutory auditor of our Company, being Mr. Ajay Paliwal & Co, *Chartered Accountant* holding a peer review certificate dated May 17, 2017 which is under review as on date of the DRHP.
Bankers to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled "***General Information***" on page 54 of this Draft Red Herring Prospectus.
Board of Directors/ the Board / our Board/ Director(s)	The Board of Directors of Sah Polymers Limited,, including all duly constituted Committee(s) thereof.
Chairman/ Chairperson	The chairman shall be the director appointed as the chairman in the respective Board or Committee meetings
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Mr. Debanshu Deb.
Corporate office	121, B-Wing, Mittal Tower, Nariman Point, Mumbai- Maharashtra-400010
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company being Mr. Lalit Kumar Bolia.
CIN	Corporate Identification Number U24201RJ1992PLC006657
Director(s)	Director(s) of our Company, unless otherwise specified
Executive Director	An executive director of our Company
Equity Shareholders/ shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up unless otherwise specified in the context thereof.
Group Companies	Such Companies as are included in the chapter titled "***Our Group Companies***" beginning on page 160 of this Draft Red Herring Prospectus.
Holding Company	SAT Industries limited is our promoter of our Company holding 1,43,16,000 shares aggregating to 91.79% of the Company.
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the Listing Regulations.
IPO Committee	The IPO Committee constituted by our Board, to facilitate the process of the Issue, described in "***Our Management***" on page 143 of this Draft Red Herring Prospectus *vide* Board resolution dated July 31, 2021

Term	Description
ISIN	International Securities Identification Number. In this case being INE035801013
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2 (1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013 and as identified in chapter titled "***Our Management***" beginning on page 143 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on July 31, 2021 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company's Nomination & Remuneration Committee in accordance with Section 178(1) of the Companies Act, 2013 vide Board resolution dated March 28, 2017. For details, please refer to the chapter titled "***Our Management***" on page 143 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director, not being an Executive Director
Promoter, Promoters or our Promoters	Promoter of our Company being SAT Industries Ltd.
Promoter Group	Persons and entities constitute our promoter group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled "***Our Promoter and Promoter Group***" beginning on page 156 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company situated at E-260-261 Mewar Industrial Area,Madri Udaipur Rajasthan 313003.
Restated Financial Statements	The restated financial statements of our Company for the period ended June 30, 2021 and for the financial years ended March 31, 2021, 2020 and 2019 which comprises the restated summary statement of assets & liabilities, the restated statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto and included in "***Financial Statements***" on page 164 of this Draft Red Herring Prospectus.
RoC / Registrar of Companies	The Registrar of Companies, Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur-302001
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 vide Board resolution dated July 31, 2021. For details, please refer to the section titled "***Our Management***" on page 143 of this Draft Red Herring Prospectus.
Land	Araji No. 1164,1165,1166, Revenue Village Modi, Tehsil Vallabhnagar, Modi (Village), Modi (Gp), Bhindar (Block), Udaipur (District), Rajasthan – 313602
Manufacturing unit	E-260-261 Mewar Industrial Area Madri Udaipur Rajasthan 313003
Processing Unit	G-260, IID Center, Kaladwas, Udaipur ,Rajasthan 313003
you, your or yours	Prospective investors in this Issue

ISSUE RELATED TERMS:

Term	Description
Acknowledgement Slip	The acknowledgement slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application for subscribing to the Issue, along with an authorization to self-certified syndicate bank to block the application money in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai and Kolkata.
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, (with or without UPI ID, as applicable) whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
Banker(s) to the Issue/Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●]**.**
Bankers to the Issue Agreement	Banker to the Issue Agreement entered on [●] amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/ Banker to the Issue / Sponsor Bank for collection of the Bid Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "***Issue Procedure***" beginning on page 211 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Draft Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid cum Application form	The ASBA Form where the context so requires, in terms of which a Bidder makes a Bid in terms of the Red Herring Prospectus which will be considered as an application for Allotment.
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.

Term	Description
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder.
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the Bid Cum Application Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, 2018, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath Capital Advisors Private Limited, SEBI registered Category – I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchange, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	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 Branch/Designated Branch of SCSBs	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, PAN, MICR code and bank account details and UPI ID wherever applicable.
Depositories	Depositories 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 Collection Banks transfer funds from the public offer accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts including the accounts linked with UPI, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the issue.
Designated Intermediary (ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid Cum Application Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application

Term	Description
	Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time.
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated October 7, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof.
EMERGE Platform of NSE/ SME Exchange	The EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
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.
General Information Document	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 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 notified by SEBI and included in "Issue Procedure" on page 211. The General Information Document shall be available on the websites of the Stock Exchange and the BRLM
Issue Agreement	The agreement dated September 20, 2021 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue being Rs. [●] lakhs, for further details please refer chapter title *"**Objects of the Issue**"* beginning on page 81 of this Draft Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Initial Public Issue of Upto 57,00,000 Equity Shares of face value Rs. 10/- each fully paid of our Company for cash at a price of Rs. [●] per Equity Share (the "***Issue Price***") (including a premium of Rs. [●] per Equity Share) aggregating up to Rs. [●] Lakhs.
Listing Agreement	The Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Asnani Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.

Term	Description
Market Maker Reservation Portion	The Reserved Portion of [●] Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Market Making Agreement	Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, see "***Objects of the Issue***" on page 81 of this Draft Red Herring Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
NSE	National Stock Exchange of India Limited
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs.
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/ applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ 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.
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least two Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●] and [●] edition of the Regional newspaper [●], each with wide circulation.
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The prospectus to be filed with the ROC after the Pricing Date in accordance with Section 26 and Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.

Term	Description
Public Issue Account	The bank account opened with the Banker to the Issue i.e. [●] under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the ROC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the ROC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
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.
Registered Brokers	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchange, through which investors can buy or sell securities listed on stock exchange, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue being Link Intime India Private Limited situated at C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.
Registrar Agreement	The agreement dated September 20, 2021 entered by 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.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI ICDR Regulations, 2018.
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investors / RIIs	Individual Bidders (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this Issue.
Revision Form	The Form used by Bidders to modify the quantity of Equity Shares in any of their Application Forms or any Previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries 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.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.

Term	Description
SME Exchange	EMERGE Platform of National Stock Exchange of India Limited
Specified Locations	Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the issue registered with SEBI which is appointed by issuer to act as conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect request and /or payment instructions of the retail investors into the UPI, the sponsor bank in this case being [●].
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Member
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Broker Private Limited
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	[•]
Underwriting Agreement	The Agreement dated [●] entered into between the Underwriter and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked bank account	Account of the RIIs, bidding in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism using UPI that may be used by an RII to make a Bid in the Issue in accordance with SEBI Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business 1. However, in respect of announcement of price band and bid/ Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business 2. In respect to the time period between the bid/ Issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

TECHNICAL AND INDUSTRY RELATED TERMS

TERM	DESCRIPTION
BPO	Business Process Outsourcing
CAD	Current Account Deficit

TERM	DESCRIPTION
CPI	Consumer Prices Index
DIPP	Department of Industrial Policy and Promotion
EMDEs	Emerging Market and Developing Economies
FDI	Foreign Direct Investment
FM	Facility Management
GAV	Gross Value Added
GDP	Gross Domestic Product
GIFPMA	Global Infrastructure Facilities and Project Managers Association
HVAC	Heating, Ventilation, and Air Conditioning
IBEF	India Brand Equity Foundation
IIP	Index of Industrial Production
ISO	International Organization for Standardization
MNCs	Multi-National Companies
NBFC	Non-Banking Financial Companies
NEER	Nominal Effective Exchange Rate
OHSAS	Occupational Health and Safety Assessment Series
PMI	Purchasing Managers' Index
PPP	Purchasing Power Parity
REER	Real Effective Exchange Rate
SEIS	Services Exports from India Scheme
SEZ	Special Economic Zone
UK	United Kingdom
US	United States
WEO	World Economic Outlook
WPI	Wholesale Price Index
FM	Facilities Management
DDUGKY	Deen Dayal Upadhyay Grameen Koushal Yojana
B2B	Business to Business
B2C	Business to Consumer
EGMM	Employment Generation and Marketing Mission
SEEDAP	Society for Employment Generation and Enterprise Development in Andhra Pradesh
MOU	Memorandum of Understanding
NIT	National Institute of Technology
SPOC	Single Point of Contact
ACCAB	Accreditation Commission for Conformity Assessment Bodies
VFD	Variable Frequency Drive
UPS	Uninterruptible Power Supply
BMS	Building Management Systems
IFMA	The International Facility Management Association, USA
CII	Confederation of Indian Industry

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A.Y./AY	Assessment Year
A/C	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India

Term	Description
ASBA	Application Supported by Blocked Amount
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Bn	Billion
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CC	Cash Credit
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
Cm	Centimetre
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified Sections
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CS	Company Secretary
CSR	Corporate Social Responsibility
CEO	Chief Executive Officer
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity Number
DTC	Direct Tax Code, 2013
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
EBITDA Margin	EBITDA divided by revenue from operations (net).
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPA	The Environment Protection Act, 1986
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation

Term	Description
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under.
FEM Regulatioins	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	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
Ft	Foot
FTP	Foreign Trade Policy
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GOI/ Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
HNI	High Net worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
ID Act	The Industrial Disputes Act, 1947
IE Act	The Indian Easements Act, 1882

Term	Description
IEM	Industrial Entrepreneurs Memorandum
IFSC	Indian Financial System Code
IGST	Integrated GST
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
KMP	Key Managerial Personnel
KVA	Kilovolt-ampere
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MICR	Magnetic Ink Character Recognition
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
MoA	Memorandum of Association
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC	Registrar of Companies
RoNW	Return on Net Worth

Term	Description
ROE	Return on Equity
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SHWW/SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SGST	State GST
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchanges	BSE Limited & National Stock Exchange of India Limited
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.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
UPI	Unified payments interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/ U.S. / USA/United States	United States of America
USD / US$ / $	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax

Term	Description
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful defaulter	A wilful defaulter, as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations, means a person who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the RBI.
YoY	Year over year

***Notwithstanding the following**: -*

i. In the section titled "***Main Provisions of the Articles of Association**"* beginning on page 232 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

ii. In the section titled "***Financial Statements***" beginning on page 164 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

iii. In the section titled "***Risk Factors***" beginning on page 25 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

iv. In the chapter titled *"**Statement of Possible Tax Benefits**"* beginning on page 95 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

v. In the chapter titled *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* beginning on page 167 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year. Further, unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

FINANCIAL DATA

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Red Herring Prospectus is derived from the restated financial statements of our Company as at and for the three months ended June 30, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, comprising (i) the restated balance sheet as at and for the three months ended June 30, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 (ii) the restated summary statements of profit and loss and the restated summary statement of cash flows for the three months ended June 30, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and (iii) notes thereto prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information on our Company's financial information, see "Financial Information" beginning on page 165. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS, Ind AS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"*, *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled "*Financial Statements"* beginning on page 164 of this Draft Red Herring Prospectus.

CURRENCY OF PRESENTATION

In this Draft Red Herring Prospectus, references to "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "USD", "U.S. $"or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America. All references to EUR' or '€' are to Euro, the official currency of the European Union.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten million' and 'billion / bn./ Billions' means 'one hundred crores'.

EXCHANGE RATES

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of USD into Indian Rupees for the periods indicated are provided below:

				Exchange Rate as on*
Currency	**March 29, 2019**(1)	**March 31, 2020**	**March 31, 2021**	**June 30, 2021**
1 USD	*69.17*	*75.39*	*73.21*	*74.37*
1 EUR	*77.70*	*83.05*	*85.84*	*88.34*

Source: RBI / Financial Benchmark India Private Limited
(1) Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday, and a Saturday, respectively.

INDUSTRY AND MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Draft Red Herring Prospectus have been obtained from publically available information, Industry Sources, Industry publications and Government Publications.

Industry Sources, Industry Publications and Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors"* beginning on page 25 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "Basis for Issue Price" beginning on page 91 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Manager or any of their affiliates have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

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

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" beginning on page 25. Accordingly, investment decisions should not be based solely on such information.

FORWARD LOOKING STATEMENT

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that 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 and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the Industry which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;

For a further discussion of factors that could cause our actual results to differ, refer to section titled "***Risk Factors***" and chapter titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 25 & 167 respectively of this Draft Red Herring 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.

Future looking statements speak only as of the date of this Draft Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, 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, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – OFFER DOCUMENT SUMMARY

OVERVIEW OF INDUSTRY

The COVID-19 pandemic has spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades.

The global plastic market size was valued at USD 579.7 billion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 3.4% from 2021 to 2028. Increasing plastic consumption in the construction, automotive, and electrical & electronics industries is projected to support market growth over the forecast period. Regulations on decreasing the gross vehicle weight to improve fuel efficiency and eventually
reduce carbon emissions are driving plastic consumption as a substitute for metals, including aluminum and steel, for the manufacturing of automotive components. The growth of the construction industry in emerging markets, such as Brazil, China, India, and Mexico, has been instrumental in fueling the demand for plastics. The growth of the market can be attributed to increased foreign investment in these domestic construction markets as a result of easing FDI norms and requirements for better public and industrial infrastructure.

For further details please see the chapter titled "Our Industry" beginning on page **97** *of this DRHP.*

OVERVIEW OF BUSINESS

We are an ISO 9001:2015 certified company, primarily engaged in manufacturing, trading and exporting of Polypropylene (PP)/ High Density Polyethylene (HDPE) Woven Bags, BOPP Laminated Bags and Flexible Intermediate Bulk Containers (FIBCs), HDPE/PP woven fabrics/sacks of different weight and sizes printed in multi colours as per the requirements of the customers. We cater to cement, Fertilizers, textiles, Food Grains, chemical, industry. With an experience of more than three decades in the industry, our company supplies and exports bags to over 14 countries across the globe. We offer a diverse portfolio of customised bulk packaging solutions. We believe that our ability to meet standard quality, introduce designs to meet evolving customer preferences and have enabled us to establish in FIBC packaging industry. Our company is also a Del Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited for polymer trading and is also operating as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their Polymer division. We are also engaged in providing job work services of manufacturing tape and fabric for other manufacturers and traders. Domestically for sales of Fabric and Bags, we have presence in 8 states and internationally we supply products in over 14 countries viz. Africa (Ghana, Sudan, Algeria, Togo) Middle East (UAE, Palestine), Europe (Greece, France, Portugal, Italy, Poland), USA, Australia, Caribbean (Dominican Republic) based on sales made during FY 2021 and for three months ended June 30, 2021. For the three months ended June 30, 2021 and for Fiscals 2021, 2020 and 2019 our revenue from exports contributed 36.34%, 43.94%, 50.75% and 53.31%, respectively of our revenue from operations. We have one manufacturing facility which is located at, Udaipur over 8000 sq. mt. area. Over the years, we have made investments in our manufacturing infrastructure to support our product portfolio requirements and reach. Our Company is promoted by SAT Industries Limited which is listed on BSE Ltd.

For the three months ended June 30,2021 and for Fiscals 2021, 2020 and 2019, our revenue from operations was Rs. 1391.49 lakhs , ₹ 5506.99 lakhs, 4910.07 lakhs and ₹ 4518.44 lakh, respectively, growing at a CAGR of 10.4% between Fiscal 2019 and Fiscal 2021. Our EBITDA three months ended June 30,2021 and for Fiscals 2021, 2020 and 2019 was ₹ 169.09 Lakhs , ₹ 302.28 Lakhs, ₹ 180.42 Lakhs and ₹207.64 Lakhs respectively, growing at a CAGR of 20.66% between Fiscal 2019 and Fiscal 2021, while our profit after tax for three months ended June 30,2021 and for Fiscals 2021, 2020 and 2019 was ₹ 111.2 Lakhs , ₹ 127.23 Lakhs, ₹ 29.68 Lakhs and ₹ 37.14 Lakhs respectively, growing at a CAGR of 85.09% between Fiscal 2019 and Fiscal 2021.

For, further details regarding risk involved in Business of the Company and risk in relation to the Issue, refer to chapter titled "*Risk Factor*" and "*Our Business*" beginning on page 25 and 116 of this Draft Red Herring Prospectus.

DETAILS OF ISSUE

Issue of upto 57,00,000 Equity Shares of face value of ₹ 10/- each fully paid up for cash at a price of ₹ [●]/- per Equity share aggregating ₹ [●] lakhs· The Issue less market maker reservation portion i.e. Net Issue of up to[●] equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share, aggregating ₹ [●] lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute [●] % and [●] % respectively of the post Issue paid up equity share capital of our company.

The issue comprises a reservation of [●] Equity Shares of ₹ 10/- each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

OBJECTS OF ISSUE:

The Net Proceeds are proposed to be used in the manner set out in in the following table:

(₹ *in lakhs*)

Sr. No.	Particulars	Estimated amount(1)
1.	Funding capital expenditure for the Project	1310.00
2.	General corporate purposes(1)	[●]

(1)To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.
For *further details, see "Objects of the Issue" beginning on page 81 of the DRHP.*

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group members are collectively holding 1,55,96,000 Equity shares of our Company aggregating to 100% of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and Promoter group members:

Sr. No.	Name of Shareholder	Pre-issue	
		No of Equity Shares	% of Pre-issue Capital
(I)	(II)	(III)	(IV)
	Promoter		
1.	Sat Industries limited	14316000*	91.79%
	Subtotal (A)	14316000	91.79%
	Promoter Group		
2.	Sat Invest Pvt Ltd	1280000	8.21%
	Subtotal (B)	1280000	8.21%
	Total (A+B)	15596000	100%

*Asad Daud, Shehnaz D ali, Harikant Turgalia, Rangarao Chinchulkar, Nitin Shinde, Lalit Kumar Bolia and Mahipal Jain holds 1 equity share each on behalf of our Promoter, Sat Industries Limited.

SUMMARY OF FINANCIAL INFORMATION

Following are details as per the Restated Financial Statements for the stub period ended on June 30th **2021** and financial years ended on March 31, 2021, 2020, 2019: *(₹ in lakhs)*

Particulars	As on 30.06.2021 **	As on 31.03.2021	As on 31.03.2020 *	As on 31.03.2019 *
Share Capital	1559.60	1559.60	1559.60	1559.60
Net Worth	2119.95	2008.75	1927.01	1897.33
Total Revenue	1420.90	5534.42	4990.96	4561.17
Profit after tax	111.20	127.60	29.68	37.13
Basic & Diluted Earnings per share (in ₹) as per denomination ₹ 10/- per share	0.713	0.816	0.190	0.238
Net asset value per share (in Rs.) as per denomination ₹ 10/- per share	13.99	12.88	12.35	12.16
Total borrowings (as per balance sheet)	1240.87	1289.56	1037.38	1128.14

**On the basis of Consolidated Financial Statements.*
*** Figures not annualised*

AUDITOR QUALIFICATIONS

There are no Auditor qualifications which require adjustments and have not been given effect to in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoter Company and Group Company are currently involved in certain litigations which are currently pending at various stages, the details of the same are summarised in the table set forth below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. in lakhs)
By the Company	3	N.A.	1	1	175.61
Against the Company	N.A.	N.A.	N.A.	N.A.	N.A.
By the Promoter	N.A.	N.A.	1	N.A.	6.80
Against the Promoter	N.A.	N.A.	3	N.A.	2.22
By the Directors	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Directors	N.A.	N.A.	N.A.	N.A.	N.A.
By Group Companies	N.A.	N.A.	1	N.A.	1.23
Against Group Companies	N.A.	N.A.	1	N.A.	0.27

For further details in relation to legal proceedings involving our Company, Group Companies, Promoters and Directors, refer chapter titled "*Outstanding Litigation and Material Developments*" on page 185 of this Draft Red Herring Prospectus.

RISK FACTORS

Please see the chapter "Risk factors" beginning on page 25.

SUMMARY OF CONTINGENT LIABILITIES, COMMITMENTS AND OFF-BALANCE SHEET ARRANGEMENTS

The following table sets forth our contingent liabilities as of As at June 30, 2021 and for the Financial year 2020-21 as per Restated Financial Statement: *(₹ In Lakhs)*

Particulars	As at June 30, 2021	For the Financial Year ended as on March 31, 2021
Tax Matters	3.93	3.93
Bank Guarantee issued not acknowledged as debts	407.65	407.65
Total	411.58	411.58

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above pending resolutions of the respective proceedings. For further details, refer chapter titled *"Financial Statements"* beginning on page **164** of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related parties transaction of the Company for the period ended on June 30, 2021 and financial years ended on March 31, 2021, 2020, 2019:

(₹ in Lakhs)

Particulars		For the year ended June 30, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
i) Directors remuneration-					
Remmuneration	Key Management	6.07	23.22	33.74	41.92
ii) Unsecured Loan Interest received					
Italica Furniture Pvt Ltd	Fellow Subsidiary	0.00	3.49	1.48	0.00
Sat Industries Ltd	Holding Company	0.00	0.82	0.65	0.27
iii) Unsecured Loan Taken-					
Asad Daud	Director	0.00	0.00	50,00	30.00
Sat Industries Ltd	Holding Company	75.00	423.00	20.00	183.05
iv) Unsecured Loan Principal Repaid-					
Asad Daud	Director	0.00	0.00	50.00	30.00
Sat Industries Ltd	Holding Company	75.00	423.00	20.00	183.05
v) Unsecured Loan Interest Repaid-					
Asad Daud	Director	0.00	0.00	0.53	2.18
Sat Industries Ltd	Holding Company	0.94	6.78	0.15	1.48
vi) Rent Received					
Sat Industries Ltd	Holding Company	0.00	0.28	0.28	0.28
Italica Furniture Pvt Ltd	Fellow Subsidiary	0.07	0.28	0.28	0.28
vii) Unsecured Loan Given-					
Italica Furniture Pvt Ltd	Fellow Subsidiary	0.00	190.00	27.00	0.00
Sat Industries Ltd	Holding Company	0.00	25.00	100.50	10.00
viii) Unsecured Loan Received Back					
Italica Furniture Pvt Ltd	Fellow Subsidiary	0.00	3.49	1.48	0.00
Sat Industries Ltd	Holding Company	0.00	50.00	75.50	10.00

*For further details of the same refer the Annexure **F25 & F26** under Chapter titled "Financial Statements" beginning on page **164** of this Draft Red Herring Prospectus.*

DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS

Our Promoter have not acquired any Equity Shares in the last one year preceding the date of this Draft Red Herring Prospectus.

AVERAGE COST OF ACQUISITION OF SHARES

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

Name of Promoter	No. of Equity Shares held	Average Cost of Acquisition (in ₹)

Sat Industries Limited	1,43,16,000	12.96
Total	1,43,16,000	12.96

*As certified by Ajay Paliwal, Chartered Accountants pursuant to their certificate dated 16.09.2021.

DETAILS OF PRE-IPO PLACEMENT

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

EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

We have not issued any Equity Shares for consideration other than cash during last one year from the date of this Draft Red Herring Prospectus:

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the Date of this Draft Red Herring Prospectus.

SECTION III - RISK FACTORS

An investment in our Equity Shares involves a certain degree of risk. You should carefully consider all the information in the Draft Red Herring DRHP, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares or the industry in which we operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks or other risks that are not currently known or are currently deemed immaterial actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. Prospective investors should read this section in conjunction with "Our Business", "Our Industry" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 116, 97 and 167 respectively, as well as the financial and other information contained in, the Draft Red Herring DRHP.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. The Draft Red Herring DRHP also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in the Draft Red Herring DRHP. For further details, see "Forward Looking Statement" on page 19

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Financial Information for Fiscals 2019, 2020 and 2021 and the three months period ended June 30, 2021 included in the Draft Red Herring DRHP.

Internal Risk Factors

Risks Relating to our Business

1. ***Our Company, Group Companies and promoter are involved in certain litigations viz criminal, civil and tax proceedings which are currently pending at various stages. Any adverse decision in these proceedings may render us liable to various penalties and/or monetary compensation and may adversely affect our business and results of operations.***

There are outstanding legal proceedings involving our Company, Promoter and group company which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and Promoter. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Certain details of such outstanding legal proceedings as of date of this Draft Red Herring DRHP are set out below:

A classification of legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. in lakhs)
By the Company	3	N.A.	1	1	175.61
Against the Company	N.A.	N.A.	N.A.	N.A.	N.A.
By the Promoter	N.A.	N.A.	1	N.A.	6.80

Against the Promoter	N.A.	N.A.	3	N.A.	2.22
By the Directors	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Directors	N.A.	N.A.	N.A.	N.A.	N.A.
By Group Companies	N.A.	N.A.	1	N.A.	1.23
Against Group Companies	N.A.	N.A.	1	N.A.	0.27

*N.A. = Not Applicable.

We have filed three cases under section 138 of negotiable instruments act, 1881 for an aggregate amount of ₹ 109.85 lakhs. Further, we have one litigation filed against Polypak Ghana Ltd. & Ors for an aggregate amount due of ₹ 63.52 lakhs and additionally court awarded costs of ₹ 0.61 lakhs in our favour, also there are outstanding dues from a customer, Souleymane Ouedraogo aggregating to ₹ 85.98 Lakhs.

Further, there is no assurance that in future, we, our promoters, our directors or promoter group companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries, kindly refer the chapter titled "Outstanding Litigation and Material Developments" on page 185 of this Draft Red Herring DRHP.

2. ***Our Company has not complied with certain regulatory provisions under Companies Act and rules thereof. Also there have been some instances of non-filing/ delays /incorrect filings in the past with certain statutory authorities. Such non-compliances/lapses may attract monetary penalties or certain punitive actions against our Company may adversely affect our business, financial condition and results of operations.***

Our Company has not complied with certain statutory provisions such as the following:

- Our company in the past did all the efforts to recruit a Company Secretary as required under section 383A of Companies Act, 1956 read with Companies (Appointment and Qualifications of Secretary) Rules, 1988 as amended and Companies (Appointment and Qualifications of Secretary) Amendment Rules, 2009, but due to non-availability of a Company secretary our company failed to appoint whole time Company Secretary since the year 1998. Thereafter the company appointed the Whole Time Company Secretary on June 20, 2012 and is in compliance with the requirements under companies act and rules in this regards. As on date our Company is in compliance with the said provisions.
- In absence of appointment of the Whole Time Company Secretary company failed to obtain the Compliance certificate for the financial year 2011-12 as required under Companies (Compliance Certificate) Rules, 2001 read with Companies (Appointment and Qualifications of Secretary) Amendment Rules, 2009.
- The Company has inadvertently and erroneously mentioned section 62(1)(c) of Companies act 2013 in place of section 62(3) at the time of Issue of such equity shares pursuant to conversion of unsecured loan obtained from its holding company. However as on date, our company accorded the correct resolution tin its minutes and have also taken compliance certificate for the same from a practicing company secretary. .

Further, Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956 some of which have not been done within the stipulated time period. Except as mentioned in this DRHP, till date, there has been no amount of penalty levied on the Company for such delays/defaults apart from the additional fees that the company paid on late filings. Further no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could

affect our financial conditions to that extent. Such delay/noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned. While this could be attributed to technical lapses and human errors, our Company is in the process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

3. ***We deal in different kind of products and our product mix may vary across fiscal depending upon demand from customers.***

   As on the date of the DRHP, we manufacture Polypropylene (PP)/ High Density Polyethylene (HDPE) Woven Bags, BOPP Laminated Bags and Flexible Intermediate Bulk Containers (FIBCs), HDPE/PP woven fabrics/sacks of different weight and sizes printed in multi colours as per the requirements of the customers meant for packing of the cement, Fertilizers, textiles, Food Grains, chemicals, salt etc. For details of revenue from different products, please refer "Note F-21 - Revenue from Operations" in the financial statement beginning on page 164 of the DRHP. Though, domestically our major sales has been from selling in Rajasthan across different products like Fabric and Bag, our revenue from other products has varied over periods, depending upon demand from customers. Since our products are majorly produced from HDPE, PP and pigments, we cannot guarantee a similar product mix over different periods. We manufacture and deal in accordance with demand and margins such product offers, and hence prospect investors may not be able to analyse our future product mix depending upon past trends.

4. ***Our top ten customers contributed 87.36% and 66.57% of our total revenue from operations for the three months period ended June 30, 2021 and for the year ended March 31, 2021. If one or more of our top customers were to suffer a deterioration of their business, cease doing business with us or substantially reduce its dealings with us, our revenues could decline, which may have an adverse effect on our business, results of operations, cash flows and financial condition.***

   Our top ten customers contributed 87.36% and 66.56% of our total revenue from operations for the three months period ended June 30, 2021 and for the year ended March 31, 2021. However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We believe we have maintained good and long term relationships with our customers, however, there can be no assurance that we will continue to have such long term relationship with them. Also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

5. ***Our clients operate in various industry segments/verticals and fluctuations in the performance of the industries in which our clients operate may result in a loss of clients, a decrease in the volume of work we undertake or the price at which we offer our products.***

   Our business operations are is exposed to fluctuations in the performance of the industries in which our significant clients operate. Our clients may also decide to reduce spending on services due to a changing economic environment and other factors relating to the industry in which they operate. For instance, in this period of pandemic wherein all the industries are facing a slowdown and cash crunch due to the lockdown and other restrictions imposed by several State Governments has resultant in a widespread impact on the industry. A loss of any of our significant clientele, a decrease in the volume of work our clients outsource to us or a decline in our prices may materially and adversely affect our business, operations, financial condition, results of operations.

6. ***Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations. As on the date of the Draft Red Herring DRHP, we are dependent on a limited number of suppliers for our raw material requirements. Any kind of refusal from them can hinder our production resulting into loss of our clients.***

   The principal raw materials used in our manufacturing process are Polypropylene, Low Density Polyethylene, High Density Polyethylene, colour master batch, PP Resin, Anti fab /Calcium carbonate, UV stabilizers, Colour Master batch and pigments. The costs of raw materials consumed for the three months period ended June 30, 2021 and for the fiscal 2021, 2020 and 2019 was 77.51 %, 56.66%, 64.23% and 65.54% respectively our total revenue from operations. We source our raw materials requirement locally. We do not have long term agreements or MOU with any of our raw material or inputs suppliers and we purchase such raw materials and inputs on spot order basis. In the event the prices of such raw materials were to rise substantially or if

imports were to be restricted in any manner, we may find it difficult to make alternative arrangements for supplies of our raw materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition. Our Company generally have good understanding between suppliers and customers based on which our business runs and any discontinuance in the said understanding with the suppliers for receiving raw materials and any customers for their orders may have impact on the operations of our Company. While we generally pass on the cost increases to our customers, we may not be able to pass on every instance of increase in input cost and may have to pursue internal cost control measures. If we are not able to compensate for or pass on our increased costs to customers, such price increases could have a material adverse impact on our result of operations, financial condition and cash flows.

We source our raw materials requirement indigenously. We do not have long term agreements with any of our raw material supplier and we purchase such raw materials and inputs on spot order basis. Purchases made from our top 10 suppliers represented 56.24% and 88.05% of our raw material purchase during the three months ended June 30, 2021 and Fiscal 2021 respectively, of our total purchases. While we are not significantly dependent on any single raw material supplier, 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, transportation and labour costs, farmers' unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. 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 on commercially acceptable terms.

7. ***We have limited records of documents relating to corporate actions undertaken by our Company and we do not have statutory filings in relation to certain disclosures made in this DRHP. Some of our corporate records including Transfer forms, share certificates are not traceable due to loss of these documents. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.***

We have been unable to trace complete set of documents pertaining to corporate, and other statutory records, including bank statements, share transfer forms, share certificates etc . Our Company filed a report with the local police on September 30, 2021 and also accorded the same in Board minutes on October, 5, 2021. Due to change in methods of record keeping on account of technological advancement and computerization over the years and loss of these documents, certain documents like bank statements, share transfer forms, share certificates, etc., could not be traced by our Company.

Certain disclosures in this Draft Red Herring DRHP in relation to such untraceable records have been made in reliance on other supporting documents available in our records, including the resolutions passed/noting made by the Board or Shareholders in their meetings, or documents annexed to the filings/ clarifications sent to the relevant regulatory authorities highlighting the true and accurate position, Management explanations/Representations. We cannot assure you that the relevant corporate records will become available in the future, that the discrepancies in filings will be rectified, that regulatory proceedings or actions will not be initiated against us in the future, or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost / destroyed records and to that extent the same could adversely affect our business operations.

8. ***We intend to set up new manufacturing facility to manufacture Flexible Intermediate Bulk Containers (FIBC) through Net Proceeds, internal accruals, term loan and loan from corporate promoter, for our capital expenditure requirements. Our funding requirements and proposed deployment are based on management estimates have not been appraised by any independent agency and may be subject to change based on various factors, some of which are beyond our control.***

We intend fund our capital expenditure requirements to set up new manufacturing facility to manufacture Flexible Intermediate Bulk Containers (FIBC) with an annual installed capacity of 3960 MT through net proceeds, Internal accruals, term loan and Loan from Holding/promoter company. The proposed manufacturing facility is envisaged to be set up at Village : Modi, Tehsil : Vallabh Nagar, District- Udaipur, Rajasthan. The Company has acquired land parcel admeasuring to 16,000 sq.mt. in financial year 20-21 at Udaipur, Rajasthan from a third party. The application for land use of the same has been submitted for conversion from agricultural to industrial. Further as per MSME Act Rajasthan, the same can be taken within 3 years from starting of operations. Our Company has paid a consideration of ₹ 105.51 lakhs for purchasing

the said land for the proposed manufacturing unit. For details, see "Our Business - Our Business Strategy - Expansion of our production capacity" on page 116. In this regards our *Company has made application to UCO bank for Availment of Term Loan vide a letter dated 08th September, 2021 for part-funding the Project by way of a term loan of upto ₹ 1000.00 Lakhs. In the event of any unanticipated delay in receipt of such approval, the proposed schedule implementation and deployment of the Net Proceed may be extended or may vary accordingly. Hence our Corporate promoter and holding company viz. SAT Industries Limited, undertakes vide letter dated 17th September, 2021 for funding the gap of financing in case Term loan is not sanctioned or sanction with smaller limit by the Bank . As alternate source of funding the promoter has undertaken to lend the lein free Fixed Deposit as security with Kotak Bank Limited by encashing the Fixed deposits in case of absence of aforementioned sanction approval from UCO Bank. Kotak Bank in letter dated September 16, 2021 has confirmed FD's with details mentioned below.*

FD Account Number	**Amount (INR)**
0545937007	4,80,00,000
0545146232	80,00,000
0545946966	15,00,000
0545146959	3,00,00,000
0545147284	1,25,00,000

Any failure to obtain the term loan sanction, or any failure to use the said alternate fund on account of any suspension or revocation from either of the banks could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects

9. The outbreak of COVID-19, or outbreak of any other similar severe communicable disease could have a potential impact on our business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and distribution of vaccine is in initial stages in our country. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts.

The impact of the pandemic on our business, operations and financial performance have included and may continue to include the following:

- Disruptions of the services we receive from third-parties including vendors, due to limited and sporadic availability of raw materials, fluctuating and unpredictable demands, and disruptions in supply chain.
- Compliance with evolving government regulations, including with respect to social distancing measures and sanitization practices. Although we are currently in compliance with such guidelines, any failure in the future to fully comply or adhere to the measures and guidelines or any other similar regulations could lead to the imposition of penalties, fines or other sanctions, which could have an adverse impact on our business.

Temporary closure of our office and decline in availability of workforce due to employees contracting the virus, rationalization of workforce, and restrictions on travel and movement due to lockdowns imposed by various state governments, affecting commute of employees to their places of work. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty.

It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but we cannot assure that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its

consequences. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further if the any new lockdown is imposed, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

10. ***We have entered into Del Credere Associate Operated Polymers Warehouse Agreement with Indian Oil Corporation Ltd. ("IOCL"). Termination or non-renewal of the Agreement or any material modification to the existing terms under such agreement adverse to our interest will materially and adversely affect our ability to continue our business and operations and our future financial performance***

We have entered into agreement with IOCL dated December 17, 2020 whereby we have been appointed as del creder associates for prompt payments to IOCL against sale of products by IOCL to its customers. Pursuant to the said arrangements, we have also been granted the right to market and sell to customers on behalf of IOCL with the objective inter alia, of receiving, storing, the products on behalf of IOCL.Purusant to the agreement, we are entiltled to receive commsion on any such sales made through us, however in case of default on payment by such parties,IOCL has the right to recover the amount from us. Deafults on such payment by such parties may materially and adversely affect our ability to carry on our business operations and our future financial performance. Further, Any suspension, restriction or termination could adversely affect our operating results and financial condition. In the event IOCL exercises their right to terminate the agreement whether on the occurrence of any such events or otherwise, or, on expiry of the term of such agreement, or in the event t they are unwilling to renew such agreement or imposes terms less favourable to us than existing terms, it may materially and adversely affect our ability to carry on our business operations and our future financial performance.

11. ***We generate our major portion of sales of our product in certain geographical regions especially Rajasthan and Haryana. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

For the three months period ended June 30, 2021 revenue from fabric and bag in Rajasthan contributed 91.73% and 53.69% respectively and for the year ended March 31, 2021 revenue from fabric and bag in Rajasthan contributed 79.80% and 62.45% respectively. For the three months period ended June 30, 2021 revenue from bag in Haryana contributed 38.83% and for the year ended March 31, 2021 revenue from fabric in Haryana contributed 35.62% as per our Restated Financial Statements. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, 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 areas outside such markets 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 may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

Management Perception: As on the date of the DRHP, the Company has already made a presence in 8 other states and aims to strengthen its presence and expand operations in such regions.

12. ***Introduction of alternative packaging materials caused by changes in technology or consumer preferences may affect demand for our existing products which may adversely affect our financial results and business prospects.***

Our products are used mainly by companies who require packaging materials for construction, agriculture, chemical, infrastructure industry etc. Our business is affected by change in technology, consumer preferences, market perception of brand, attractiveness, convenience, safety and environmental norms. Our ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully

on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customers' businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of packaging businesses and consumer preferences may have an adverse effect on our business, profitability and growth prospects.

13. ***All our manufacturing facility is concentrated in Rajasthan, which exposes us to risks of concentration.***

All our manufacturing facilities and operations are concentrated in Rajasthan, which exposes us to risks of concentration. All our facilities like registered office, manufacturing unit and processing uinit and operations are concentrated in Rajasthan. In the event of a regional slowdown in the business, economic activity in Rajasthan and especially in and around Udaipur, or any developments or natural disaster that make projects in Rajasthan less economically beneficial, our business, financial condition and results of operations could be adversely affected.

14. ***There is an increased awareness towards controlling pollution and many economies including India have joined in the efforts to ban plastic product. In case any plastic packaging products manufactured by us are banned in India or in any of the markets where we export our products, it could have a material and adverse effect on our business and results of operations.***

Plastic takes many years to decompose and is very dangerous for other living beings. Many countries around the world are finding alternatives to the use of plastic products. While none of the measures taken so far have directly impacted our business, our Company cannot assure that future measures will not have a negative impact on our business. If the Government of India legislates against the use of plastic products or if regulations for the manufacture and use of our packaging products are made more stringent, it could have a material and adverse effect on our business and results of operations.

15. ***The industry in which we operate is labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

FIBC/bulk container and packaging industry being labour intensive is dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

16. ***Our manufacturing facility is critical to our business operations and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing facility is located at Udaipur, Rajasthan. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. It is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties.

If our Company experiences delays in production or shutdowns at our facility due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be

significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, continuous addition of industries in and around our manufacturing facility without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business. Further, the spiraling cost of living around our manufacturing facility may push our manpower costs higher, which may reduce our margin and cost competitiveness.

17. ***The shortage or non-availability of power and fuel facilities may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition.***

Our manufacturing process requires substantial amount of power and fuel facilities. Power and fuel cost accounts for a significant percentage of our cost of operations. For the three months ended June 30,2021 and for the Fiscals 2021, 2020 & 2019 our power and fuel expenses were 5.11%, 5.30%, 6.56% and 6.32% respectively of our total revenue from operations. We source the power requirements for our manufacturing facility mainly from state electricity boards. The quantum and nature of power and fuel requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high. To battle electricity failures, we also have DG sets of 320 and 750 KVA to meet exigencies at our main facility, however, we cannot assure you that our facilities will be operational during power failures. Any disruption / non availability of power or fuel or any failure on our part to arrange alternate sources of electricity and fuel supply, in a timely manner and at an acceptable cost shall directly affect our production which in turn shall have an impact on operations and results of our Company.

18. ***We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have a material adverse effect on our results of operations, cash flows and financial condition.***

For the three month period ended June 30, 2021 and for the fiscal 2021, 2020 and 2019 our capital expenditures, reflected in our financial statements as additions/adjustments to property, plant and equipment were, Rs.0.61 lakhs, Rs.101.11 lakhs, Rs. 75.66 lakhs and Rs.35.58 lakhs respectively. The actual amount and timing of our future capital requirements may differ from estimates due to, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes, additional market developments and new opportunities in the packaging industry. Our sources of additional financing, where required to meet our capital expenditure plans, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows. Any issuance of equity to raise additional funds, on the other hand, would result in a dilution of the shareholding of existing shareholders.

Further we require a significant amount of working capital for our operations. A significant amount of our working capital is required to finance the purchase of materials before payment is received from our customers. Further we also maintain inventory levels as per industry standards. Our trade receivables are generally non-interest bearing and are generally on credit terms up to 30-45 days. Our working capital requirements may increase if the payment terms in our agreements with our customers or purchase orders include reduced advance payments or longer payment schedules, or if our there is delayed realisation from our customers. These factors may result, and have in the past resulted, in increases in the amount of our receivables and short-term borrowings. Continued increase in our working capital requirements may have a material adverse effect on our financial condition, results of operations and cash flows.

19. ***The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions***

We compete in FIBC, packaging, bulk container industry on the basis of the quality of our products, price, and customer satisfaction. The industry in which we operate is highly competitive. Factors affecting our competitive success include, amongst other things, price, demand for our products, availability of raw materials and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the Indian packaging industry as compared with us. Competitive conditions in some of our segments have caused us to incur lower net selling prices and reduced gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. New competitors may include foreign-based companies and domestic producers who could enter our markets. Our failure to compete effectively, including any delay in responding to changes

in the industry and market, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability

20. ***Our Company's failure to maintain the quality standards of the products or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.***

Our products depend on customer's expectations and choice or demand of the customer as we also produce the products as per particular customer's needs. Any failure to maintain the quality standards may affect our business. Although we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Also, rapid change in our customers' expectation on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always expanded our capacities and/or introduced new products based on latest technology to cater to the growing demand of our customers and also endeavor regularly update our existing technology and acquire or develop new technologies on a continuous basis, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

21. ***We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.***

We incur expenses in foreign currencies during the normal course of business for purchasing products from our global suppliers at mutually agreed prices. Further, on the export of our products we receive sale proceeds in foreign currency. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect our Company to the extent of cost of goods and sales in foreign currency terms. Although we generally hedge our foreign exposure, any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

22. ***We are liable to face adverse effect on the business operations and delay in manufacturing and supply of goods to the consumers due to port strike.***

Our products mainly get transported through water route as we primarily rely on sea-freight and carry such operations from Mundhra Port and Nhava Sheva Port (Jawaharlal Nehru Port).Our customers base is spread across 14 countries. The export sales consists of 36.34%, 43.94 % , 50.75% and 53.31% for the total sales during the three months period ended June 30, 2021 and for the financial year ended March 31, 2021 , 2020 and 2019 respectively. We may face adverse effect on the business operations and delays in manufacturing and supply of products to the consumers due to port strike. Any such disruptions in the future could have material and adverse effect on our business, financial condition and results of operations.

23. ***A portion of our revenues are dependent on our exports to our international customers. We generate our predominant portion of sales from our operations in certain region especially Africa and Middle east. Any failure to fulfil the requirements of our international customers may adversely affect our revenues, result of operations and cash flows.***

We generate major portion of our sales from our customers situated overseas, Africa (Ghana, Sudan, Algeria, Togo) Middle East (UAE, Palestine). Such geographical concentration of our business in these countries heightens our exposure to adverse developments related majorly to competition, as well as economic and demographic changes in these countries which may adversely affect our business prospects, financial conditions and results of operations. Our inability to expand into other countries may adversely affect our business prospects, financial conditions and results of operations. However, our Company has started strengthening its customer base in other countries such as Europe (Greece, France, Portugal, Italy, Poland), USA, Australia, Caribbean (Dominican Republic), etc but we are yet to scale our operations in such countries. While our management believes that the Company has requisite expertise to 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 may face and should not rely on our results of operations for any prior periods as an indication of our future performance. Our operations are also impacted by various risks inherent in international sales and operations, including:

- currency exchange rate fluctuations;

- regional economic or political uncertainty;
- currency exchange controls;
- differing accounting standards and interpretations;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements; and

To the extent that we are unable to effectively manage our global operations and risks such as the above (in particular, as we implement our strategy to enter into new markets where we do not have local knowledge and resources), we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. As a consequence, our business, financial condition, results of operations and cash flows may be adversely affected.

24. Our Company exports our products to countries including viz. Africa (Ghana, Sudan, Algeria, Togo) Middle East (UAE, Palestine), Europe (Greece, France, Portugal, Italy, Poland), USA, Australia, Caribbean (Dominican Republic). Any adverse events affecting these countries could have a significant adverse impact on our results from operations.

We also derive our revenue from operations from export sales. The export sales consists of 36.34%, 43.94 % , 50.75% and 53.31% for the total sales during the three months period ended June 30, 2021 and for the financial year ended March 31, 2021 , 2020 and 2019 respectively. Our Company exports to many countries namely viz. Africa (Ghana, Sudan, Algeria, Togo) Middle East (UAE, Palestine), Europe (Greece, France, Portugal, Italy, Poland), USA, Australia, Caribbean (Dominican Republic) etc. Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to Environment, Health and Safety (EHS) norms, quality standards, branding or restrictions on usage of certain products/raw materials, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

25. Delay in schedule of implementation may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.

Our Company is currently proposing to set up a new manufacturing facility for manufacturing of Flexible Intermediate Bulk Containers (FIBC): with an annual installed capacity of 3960 MT at a place different from the existing facilities at Village : Modi, Tehsil : Vallabh Nagar, District- Udaipur, Rajasthan and expand installed capacities. For further details regarding to our proposed manufacturing facility, please refer the chapter titled our "*Objects of the Issue*" on page 81 of this DRHP. We may face risks relating to the commissioning of our new manufacturing facility for production including delays to construction timetables, failure to complete the projects within our estimated budget, failure of our contractors and suppliers to adhere to our specifications and timelines, and changes in the general economic and financial conditions in India and other jurisdictions in which we operate. We have limited control over the timing and quality of services, equipment, machineries or other supplies from third party contractors and/or consultants appointed by us, and we may be required to incur additional unanticipated costs to remedy any defect or default in their services or products to ensure that the planned timelines are adhered to. Further as and when we commission our planned manufacturing facility, our raw material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our new unit as well as in realigning our management and other resources and managing our consequent growth. In the event that the risks and uncertainties discussed above or any other unanticipated risks, uncertainties, contingencies or other events or circumstances limit or delay our efforts to use the Net Proceeds to achieve the planned growth in our business, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment in our Equity Shares.

The proposed setting up of a new manufacturing unit will require us to obtain various approvals, which are routine in nature. We are yet to file applications for seeking consent to establish with the Rajasthan Pollution Control Board. Factories License under Factories Act- Registration & License to work a factory ,Consent to establish the unit under Rajasthan Pollution Control Board, Consent to operate under Rajasthan Pollution

Control Board- Under both Air (Prevention & Control of Pollution) Act, 1981 and Water (Prevention & Control of Pollution) Act, 1974, ISO Certification. In addition to such pending approvals, we will also need to apply for certain additional approvals for the proposed facility, as required in due course. There can be no assurance that we will be able to obtain these registrations and approvals in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

26. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business.

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business Any failure to renew the approvals that may expire, or to apply for the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects.

We have purchased an agricultural land to expand our line of business and we have taken registration under the Rajasthan Micro, Small & Medium Enterprise (Facilitation of Establishment and Operation) Act, 2019 under which our Company is exempted from applying for conversion of land for a period of three years until the validity of the certificate i.e. until September 02, 2024, to continue our business activities. The certificate is valid for a period of three years from the date of issuance of the certificate, after the expiry of the same we need to apply for the land conversion approvals. Any failure to apply for the required approvals, licenses, etc could result in delaying the operations of our business. We also need to apply for other environmental approvals, licenses, etc. which are subject to the Central laws.

Currently, with respect to the material approvals/ licenses with regards to our object of the issue, our Company has the following pendency:

1. Factories License under Factories Act, 1948
2. Consent to establish under Rajasthan Pollution Control Board
3. Consent to operate under Rajasthan Pollution Control Board- Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974

Furthermore, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects. Kindly see "Government and other Statutory Approvals" on page 191 of this Draft Red Herring Prospectus for further details on the required material approvals for the operation of our business. We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business. Any failure to renew the approvals that will expire, or to failure/delay to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects.

We cannot assure you that the approvals, licences, registrations and permits issued to us 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.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

For more information, see chapter "*Government and Other Statutory Approvals*" on page 191 of this Draft Red herring DRHP.

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

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

on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of raw material and local transportation. Should our supply of raw materials be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. In addition, disruptions to the delivery of product to our customer may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt supply of these products. To improve our line capability, we try to stock our inventory at our manufacturing facility. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

28. Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations. Further any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or delay in procurement of raw material or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

In the ordinary course of business, we extend credit to our customers. Consequently, we are exposed to the risk of the uncertainty regarding the receipt of the outstanding amounts. As at June 30,2021 and for financial year march 31,2021 our trade receivables (net of provision for doubtful debts) was Rs. 884.22 lakhs and 969.23 respectively. Our results of operations and profitability depend on the credit worthiness of our customers. Certain of these customers may have weak credit histories and we cannot assure that these counterparties will always be able to pay us in a timely fashion, or at all. Any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. As on date of Draft red herring DRHP, We have filed three cases under section 138 of negotiable instruments act, 1881 for an aggregate amount of ₹ 109.85 lakhs. Further, we have one litigation filed against Polypak Ghana Ltd. & Ors for an aggregate amount due of ₹ 63.52 lakhs and additionally court awarded costs of ₹ 0.61 lakhs in our favour, also there are outstanding dues from a customer, Souleymane Ouedraogo aggregating to ₹ 85.98 Lakhs . Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition.

29. Our Company is dependent on third party transportation providers, with whom we have no formal arrangements, for the delivery of our raw materials and finished goods and any disruption in their operations or a decrease in the quality of their services or an increase in the transportation costs could adversely affect our Company's reputation and results of operations.

We rely on third parties logistic service providers, with whom we have no formal arrangement, to provide rail, trucking and other transportation facilities for the transfer of raw materials to our manufacturing facilities and the supply of finished products to our customers. Such logistics providers are arranged on spot basis and in certain cases may not be insured for the full value of the load that they are carrying. These transportation facilities may not be adequate to support our existing and future operations and there may be disruptions of transportation and logistics services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and seaport facilities. Also we do not own any trucks or commercial transport vehicles and primarily use third-party logistic providers for all of our product distribution and input materials procurement. In addition, any increase in the charges imposed by the operators of transportation and logistics facilities would significantly impact our costs and results of our operations. Any disruption of any of our transportation routes or facilities may adversely affect our business, financial condition, results of operations and cash flows.

30. Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Our secured debt has been availed at floating rates of interest. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, please refer chapter titled "*Financial Indebtedness*" beginning on page 182 of this DRHP.

31. The Company is yet to place orders for 100% of the plant & machineries and miscellaneous fixed assets for our proposed object of setting up a new manufacturing facility, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machineries and miscellaneous fixed assets may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.

As on the date of this DRHP, we have placed order fror plant and machineries amounting to Rs. 851.62 lakhs and we are yet to place orders worth Rs. 259.54 lakhs which constitutes 76.64% of the total estimated cost in relation to the purchase of plant machinery. However we are yet to place any order or enter into any definitive agreements for the purchase of certain plant and machineries and miscellaneous fixed assets required to set up as part of the expansion of our manufacturing facility at Araji no. 1164-1166, Village Modi, Tehsil Vallabhnagar, Udaipur (Raj.)– 313602. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a limited period of time and may be subject to revisions, and other commercial and technical factors. The cost of such machinery and equipment may escalate due to changes in import duties, foreign exchange fluctuations, shortage of such machines, or increase in the cost of raw material. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. For details, see "Objects of the Issue - Details of the Objects of the Issue" on page 81. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management's views of the desirability of current plans, change in supplier of plant & machineries, equipment among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machineries, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 81 of this DRHP

32. We have not entered into any long term or definitive agreements with our customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.

We have not entered into any long term or definitive agreements with our customers, and instead rely on purchase orders to govern the volume, pricing and other terms of sales of our products in case of our direct sales. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, we may be unable to seek compensation for any surplus unpurchased products that we manufacture. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences.

Additionally, our customers have high and exacting standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand 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, results of operations and financial condition.

33. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.

Our business operations are subject to hazards such as risk of equipment failure, work accidents, fire or explosion and require individuals to work under potentially dangerous circumstances or with flammable materials. Although we employ safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other 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, financial condition, results of operations, cash flows and prospects.

34. Our Registered Office and manufacturing facility, corporate office and processing unit are located on leased premises. If we are unable to renew these leases or relocate on commercially suitable terms, it may have a material adverse effect on our business, results of operation and financial condition

Our manufacturing facility and registered situated at Udaipur, rajasthan are located on premised leased from Rajasthan State Industrial Development & Investment Corporation Limited . Further the Corporate office and processing unit are taken on lease by us from third parties for a certain period. For details, please refer chapter titled "Our Business" beginning on page 116 of the DRHP. Though we have entered into long-term lease agreements with respect to these lands, such lease agreements may be terminated early in the event of a default or upon the expiry of their tenure and may not be renewed.. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our existing facilities, to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. However we have taken NOC from our Corporate promoter/holding company i.e. Sat Industries Limited to use their registered office as rent free space for our corporate office. However we have no assurance that the premises will be shared with any terms and conditions impacting our operations in future.

35. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialised, could adversely affect our financial condition.

Our contingent liabilities as on June 30,2021 are as under: (Rs. *in lakhs)*

Particulars	**As at June 30, 2021**	**For the Financial Year ended as on March 31, 2021**
Tax Matters	3.93	3.93
Bank Guarantee issued not acknowledged as debts	407.65	407.65
Total	411.58	411.58

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled "*Financial Statements*" on page 164 of this DRHP.

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

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

(Rs. in lakhs)

Particulars	For the period ended, June 30, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash Flow from / (used in) Operating Activities	(72.19)	142.23	263.33	332.07
Cash Flow from / (used in) Investing Activities	(21.92)	(236.37)	(87.30)	(97.26)
Cash Flow from / (used in) Financing Activities	(15.62)	85.71	(166.32)	(161.43)

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

37. Failure or disruption of our IT and/or business resource planning systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.

We have implemented various information technology ("IT") and/or business resource planning systems to cover key areas of our operations. We are dependent on technology in relation to customer order management and dispatches, financial accounting and scheduling raw material purchase and shipments. We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and functions. While the business resource planning systems that we have implemented have enabled us to improve our working capital cycles, despite an increase in our sales over the period, we can provide no assurance that we will be able to do so in the future.

We believe that we have deployed adequate IT disaster management systems including data backup and retrieval mechanisms, at our manufacturing facilities and registered office. However, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, manage our creditors, debtors and hedging positions, or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and cash flows.

38. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.

Our growth strategies requires us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

- Our success in implementing our growth strategies may be affected by:
- our ability to maintain the quality of our products;
- our ability to increase our manufacturing capacities;
- our ability to increase our geographic presence and explore international presence;
- the general condition of the global economy (particularly of India and the other markets that we
- currently or may operate in);
- our ability to compete effectively with existing and future competitors,

- changes in the Indian or international regulatory environment applicable to us.

.Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability.

39. An inability to address changing industry standards and consumer trends may adversely affect our business, results of operations and financial condition.

The future success of our business will depend in part on our ability to respond to technological advances, consumer preferences and emerging industry standards and practices in a cost-effective and timely manner. The development and implementation of such new technology entails technical and business risks. We may have to incur substantial capital investment to upgrade our equipment and manufacturing facilities. While we continue to invest in various product development initiatives, adopt enhanced technologies and processes for the development of new products, we are subject to general risks associated with introduction and implementation of new products including the lack of market acceptance and delays in product development. There can be no assurance that we will be able to successfully develop new products or that such new products will receive market acceptance or adapt our manufacturing processes to incorporate new technologies or address changing consumer trends or emerging industry standards. Any rapid change in the expectations of our customers, in our business on account of changes in technology or introduction of new alternate products could adversely affect our business, results of operations and financial condition.

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

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

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

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Rajasthan

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

Further our expansion plans remain subject to the potential problems and uncertainties that manufacturing projects face. Problems that could adversely affect our expansion plans include the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, environment and ecology costs and other external factors which may not be within the control of our management. Any inordinate delay or refusal in obtaining the necessary licenses/approvals from any government authorities may even lead to closure of our business.

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

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. The total amounts outstanding and payable by us as secured loans were Rs. 626.45 lakhs as on June 30, 2021. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, please refer chapter titled "*Financial Indebtedness*" on page 182 of this DRHP.

43. Our loan agreements with various lenders have several restrictive covenants and certain unconditional rights in favour of the lenders, which could influence our ability to expand, in turn affecting our business and results of operations.

We have entered into agreements for short term and long term borrowings with certain lenders. As on June 30, 2021 an aggregate of Rs. 1240.87 lakhs as short term loans and Rs. 89.67 lakhs as long term loans was outstanding towards loans availed from banks and financial institutions. The credit facilities availed by our Company are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), and personal guarantees given by our promoter, Director and promoter group company. In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to the Company may be recalled with penal interest. This could severely affect our operations and financial condition. In addition to the above, our loan documentation includes certain conditions and covenants that require us to obtain consents from the aforesaid banks prior to carrying out certain activities like entering into any amalgamation, demerger, merger and corporate reconstruction, changing our management and operating structure, making any fresh borrowings or creating fresh charges on assets, etc. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lending banks or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under the said credit facility, which may adversely affect our ability to conduct our business and operations or implement our business plans. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lending banks refuse to renew / enhance the credit facilities and/or cancels / suspends / reduces the said credit facilities and/or alters the terms and conditions to the derogation of our Company, our existing operations as well as our future business prospects and financial condition may be severely affected.

44. Unsecured loans taken by our Company can be recalled by the lenders at any time.

As on June 30, 2021 our Company has unsecured loans amounting to Rs.555.08 lakhs from banks and NBFCS that are repayable on demand to the relevant lender. These loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. In such cases, our Company may be required to repay the entirety of the unsecured loans together with accrued interest. Our Company may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer the chapter titled "Financial Statements as Restated" beginning on page 164 of this DRHP.

45. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Further, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or

products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

46. Reliance has been placed on declarations and affidavits furnished by certain of our Directors for details of their profiles included in this DRHP

Our Whole-time Director Mr. Hakim Tiddiwala is unable to trace copies of certain documents pertaining to their educational qualifications and experience certificate. While the aforementioned Director has taken the requisite steps to obtain the relevant supporting documentation, including by making written requests and applications to their respective educational institutions, they have been unsuccessful in procuring the relevant supporting documentation.

Accordingly, the Book Running Lead Manager have placed reliance on declarations, undertakings and affidavits furnished by these Directors to disclose details of their educational qualifications in this DRHP and we have not been able to independently verify these details in the absence of primary documentary evidence. Further, there can be no assurances that such Directors will be able to trace the relevant documents pertaining to their educational qualifications in the future, or at all. Therefore, we cannot assure you that all or any of the information relating to the educational qualifications of certain of our Directors included in "Our Management" on page 143 are complete, true and accurate.

47. Information relating to the installed manufacturing capacity of our manufacturing facilities included in this DRHP are based on various assumptions and estimates and future production and capacity may vary.

Information relating to the installed manufacturing capacity of our facility included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by our statutory auditor in the calculation of the installed manufacturing capacity of our manufacturing facilities. These assumptions and estimates include the standard capacity calculation practice of FIBC and packaging industry after examining the equipment installed at the facilities, the period during which the manufacturing facilities operated in a year/ period, expected operations, availability of raw materials, expected utilization levels, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. For further information, see "Our Business - Capacity and Capacity Utilization" on page 122. Further, the installed capacity, capacity utilisation and other related information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to capacity information that may be computed and presented by other FIBC, Jumbo bangs, bulk container/ pacakaging companies. Undue reliance should therefore not be placed on our historical installed capacity information for our existing facilities included in this Draft Red Herring Prospectus.

48. Our Promoter ,director and member of the Promoter Group have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoter, director and member of the Promoter Group have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

49. Our Promoter, Directors and KMP has interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.

Our Corporate Promoter, directors, and KMP may be deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares held by them, their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company, and to the extent of sitting fee payable to them for attending each of our Board and Committee meetings. Further, our Promoter is also holding company and our directors are also directors of our Group Company and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Group Company. Therefore, some of the above interests may conflict with the duties of these persons as Promoters / Directors of the Company. For further details, please see the chapters titled "*Our Management*" and "*Our Promoters and Promoter Group*" beginning on pages 143 and 156, respectively of

this DRHP.

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

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

51. Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others: (i) Standard fire & special perils policy (ii) Marine cargo open policy, and (iii) Money insurance policy (iv) Burglary Policy (v) Marine open Inland policy, (vi) Marine open Export Policy. These insurance policies are renewed periodically to ensure that the coverage is adequate. Our insurance covers our manufacturing facility and processing Unit.. 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 like product defect/liability risk, loss of profits, losses due to terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. 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.

52. Italica Furniture Private limited, our Group Company is permitted to carry on business activities similar to our business. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.

One of our Group Company, Italica Furniture Private Limited pursuant to the provisions of its memorandum of association is authorized to do some of the objects similar to that of our Company's business and also of our Promoter/holding Company, and could offer products that are related to the business of our Company. However currently it is not engaged in similar line of activities as that of our company but we cannot guarantee that in future conflicts of interests may arise in allocating business opportunities amongst our Company, our Promoter/holding Company, our Group Company and member of promoter group in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other companies or ventures in which our Promoter has interest. There can be no assurance that our Promoters or our Group Company or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Further our directors could also be directors of other companies which has similar object to that of our Company's business and also of our Promoter/holding Company, and could offer products that are related to the business of our Company. There can be no assurance that our directors 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.

53. 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 Promoter, Promoter Group, Directors and their relatives. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter *"Related Party Transactions"* beginning on page 162 of the DRHP.

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

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

55. Industry information included in this DRHP has been derived from industry reports and annual reports of various listed players of our industry. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have relied on the reports of certain independent third party and annual reports of various listed players of our industry for purposes of inclusion of such information in this DRHP. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this DRHP.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "*Objects of the Issue*" beginning on page 81 of this DRHP.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 163 of this DRHP

58. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

Our Company intends to use Net Proceeds raised pursuant to the Fresh Issue in the manner set out in the section titled "*Objects of the Issue*" on page 81. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this DRHP without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

59. Within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 81 of this DRHP, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Issue*" beginning on page 81. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as the continuing impact of the COVID-19 pandemic, interest or exchange rate fluctuations, increase in input costs, labour costs, logistics and transport costs, taxes and duties, regulatory costs, environmental factors and other external factors. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of the Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

Further the deployment of the Net Proceeds will be at the discretion of our Board. Accordingly, within the parameters as mentioned in the chapter titled '*Objects of the Issue*' beginning on page 81 of this DRHP, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Further in accordance with section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide 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.

60. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.

Since the Issue size is less than Rs.10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

61. Our Promoter will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoter which is also our holding company will collectively significant percentage of the Equity Shares. As a result, our Promoter will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

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

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

Issue Specific Risks

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

The Issue Price of our Equity Shares has been determined by book building method. The price is based on numerous factors (For further information, please refer chapter titled "*Basis for Issue Price*" beginning on page 91 of this DRHP) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- changes in revenue or earnings estimates or publication of research reports by analysts;
- results of operations that vary from those of our competitors;
- speculation in the press or investment community;
- new laws and governmental regulations applicable to our industry;
- future sales of the Equity Shares by our shareholders;
- general market conditions; and
- domestic and international economic, legal and regulatory factors unrelated to our performance.

65. The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters' in our Company and built-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "*Capital Structure*" on page 64 of this DRHP.

66. Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Issue. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of the Equity Shares has been determined by our Company in consultation with the BRLM through the Book Building Process. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

67. Fluctuations in the exchange rate of the Rupee and other currencies could have a material adverse effect on the value of the Equity Shares, independent of our operating results.

The Equity Shares would be quoted in Rupees on the Emerge Platform of NSE Limited. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into appropriate foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

68. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized in excess of ₹ 1,00,000/- on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax in India at the specified rates in case STT was paid on the sale transaction. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

69. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to

maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

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

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

72. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, cash flows, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

73. There is no guarantee that our Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner or at all.

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

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

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

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

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire

additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

External Risk Factors

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

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

77. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. For further details, see "Restrictions on Foreign Ownership of Indian Securities" on page 229. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

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

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of

India. India's sovereign ratings have recently been downgraded. For instance, our credit rating was downgraded by Moody's from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook and by Fitch from BBB- with a "stable" outlook to BBB- with a "negative" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

79. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition. Hostilities, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural or man-made disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

80. Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this DRHP.

As stated in the reports of the Auditor included in this DRHP under chapter "*Financial Statements*" beginning on page 164 the financial statements included in this DRHP are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this DRHP to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and Ind AS, U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this DRHP. Accordingly, the degree to which the financial information included in this DRHP will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this DRHP should accordingly be limited.

81. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.. For instance, The Finance Act, 2020 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, the Finance Act, 2019 stipulates any sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2019 has also clarified that the

liability to pay stamp duty in case of sale of securities through stock exchange will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company's business and operations.

Further, the Government of India has announced the union budget for Fiscal 2022, which is yet to be notified. As such, there is no certainty on the impact that the proposed Finance Act, 2021 may have on our business and operations or on the industry in which we operate.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

82. Investors may not be able to enforce a judgment of a foreign court against us.

Our Company is a company incorporated under the laws of India. All our Company's Directors and officers are residents of India and all of our assets are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

83. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

84. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of 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 could also have a negative impact on the Indian economy. Financial disruptions may occur again and could impact our business, our future financial performance and the prices of the Equity Shares.

SECTION IV – INTRODUCTION

SUMMARY OF FINANCIAL STATEMENTS

Sr. No.	Details	Page No.
1	Summary of Restated Financial Statements	A-1 to A-3

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SAH POLYMERS LIMITED
(Restated Balance Sheet as at...)

All Amount in Rs Lakhs, Unless otherwise stated

Particulars	Note	30.06.2021		31.03.2021		31.03.2020		31.03.2019	
		Standalone		Standalone		**Consolidated**		Consolidated	
ASSETS									
(1) Non-current assets									
(a) Property, Plant and Equipment	3		1,401.90		1,420.96		1,271.86		1,262.10
(b) Capital work -in- Progress	3		22.73		1.75				
(c) Investment Property			-		-				
(d) Goodwill			-		-		45.54		45.54
(e) Other Intangible Assets	3		3.09		3.53		2.09		1.05
(f) Intangible assets under development									
(g) Biological Assets other than bearer plants									
(h) Financial Assets									
(i) Investments		-		-				-	
(ii) Trade receivables		-		-				-	
(iii) Loans		-		-				-	
(iv) Others	4	106.92	106.92	56.63	56.63	52.82	52.82	78.11	78.11
(i) Deferred tax assets (net)		-		-				-	
(j) Other non-current assets	5		18.35		1.57		9.10		5.91
(2) Current assets									
(a) Inventories	6		726.27		571.56		560.76		578.85
(b) Financial Assets									
(i) Investments									
(ii) Trade receivables	7	884.22		969.23		900.01		874.10	
(iii) Cash and cash equivalents	8	20.48		194.30		104.32		152.41	
(iv) Bank balances other than (iii) above	9	5.00		50.63		65.63		33.34	
(v) Loans	10	979.58		685.14		82.00		-	
(vi) Others		-	1,889.28	-	1,899.30		1,151.96	-	1,059.85
(c) Current Tax Assets (Net)	11		1.79		1.79		-		-
(d) Other current assets	12		92.55		100.76		544.54		646.91
Total Assets			4,262.88		4,057.85		3,638.67		3,678.32
EQUITY									
(a) Equity Share Capital	13	1,559.60		1,559.60		1,559.60		1559.60	
(b) Other Equity	14	560.35	2,119.95	449.15	2,008.75	367.41	1,927.01	337.73	1,897.33
LIABILITIES									
(1) Non-current liabilities									
(a) Financial Liabilities									
(i) Borrowings	15	89.67		89.67		-		-	
(ia) Lease liabilities									
(ii) Trade payables		-		-		-		-	
(iii) Other financial liabilities(other than those specified in item (b))		-	89.67	-	89.67	-	-	-	-
(b) Provisions			-		-				-
(c) Deferred tax liabilities (Net)	16		143.79		142.67		134.76		121.17
(d) Other non-current liabilities			-		-				-
(2) Current liabilities									
(a) Financial Liabilities									
(i) Borrowings	17	1,240.87		1,289.56		1,037.38		1,128.14	
(ia) Lease liabilities									
(ii) Trade payables :	18								
(A)Total outstanding dues of micro enterprises and small enterprises									
(B)Total outstanding dues of creditors other than micro enterprises and small enterprises		403.66		340.97		448.17		397.11	
(iii) Other financial liabilities(other than those specified in item(c)		-	1,644.53	-	1,630.53	-	1,485.55	62.50	1,587.75
(d) Other current liabilities	19		219.35		164.25		85.56		58.15
(c) Provisions	20		7.04		4.32		5.35		4.56
(d) Current Tax Liabilities (Net)	21		38.55		17.66		0.44		9.36
Total Equity and Liabilities			4,262.88		4,057.85		3,638.67		3,678.32

See accompanying notes to the restated financial statements

As per our Audit report of even date attached.

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

SAH POLYMERS LIMITED

RESTATED STATEMENT OF PROFIT AND LOSS FOR YEAR/PERIOD ENDED

All Amount in Rs Lakhs, Unless otherwise stated

Particulars	Note no.	30.06.2021		31.03.2021		31.03.2020		31.03.2019	
		Standalone		Standalone		**Consolidated**		Consolidated	
		Amount in Rupees		Amount in Rupees		Amount in Rupees		Amount in Rupees	
INCOME :									
I Revenue from operations	22		1,391.49		5,506.99		4,910.07		4,518.44
II Other income	23		29.41		27.43		80.89		42.74
III Total Income (I+II)			1,420.90		5,534.42		4,990.96		4,561.17
IV. Expenses :									
Cost of Materials consumed	24		1,077.22		3,120.50		3,153.63		2,961.28
Purchases of Stock-in-Trade	25		36.78		674.56		183.70		7.54
Changes in inventories of finished goods work-in-progress and Stock -in-Trade	26		(201.74)		56.42		5.05		237.57
Employee benefits expense	27		63.47		223.75		215.86		205.30
Finance costs	28		31.02		86.94		133.36		104.27
Depreciation and amortization expense	3		20.44		80.56		76.50		71.18
Other expenses	29		258.88		1,129.48		1,171.41		899.11
Total expenses			1,286.07		5,372.21		4,939.51		4,486.25
V. Profit before exceptional items and tax(III-IV)			134.83		162.21		51.45		74.92
VI. Exceptional items			-		-		-		-
VII Profit/(loss) before tax (V-VI)			134.83	`	162.21	`	51.45	`	74.92
VIII Tax expense :									
(1) Current tax		22.51		27.07		8.18		14.48	
(2) Deferred tax		1.12	23.63	7.91	34.98	13.59	21.77	23.31	37.79
IX Profit(loss)for the period from continuing operation (VII-VIII)			111.20		127.23		29.68		37.13
X Profit/(Loss) from discontinued operations.			-		-		-		-
XI Tax expense of discontinued operations			-		-		-		-
XII Profit/(loss) from discontinued operation (X-XI)			-		-		-		-
XIII Profit(loss) for the period (IX+XII)\			111.20		127.23		29.68		37.13
XIV Other Comprehensive Income									
A(i) Item that will not be reclassified to profit or loss		-		-		-		-	
(ii) Income tax relating to item that will not be reclassified to profit or loss		-		-		-		-	
B(i) Item that will be reclassified to profit or loss		-		-		-		-	
XV (ii) Income tax relating to item that will be reclassified to profit or loss		-	-	-	-	-	-	-	-
XVI Total Comprehensive Income for the period (XIII+XIV) (Comprising profit (loss) and other Comprehensive Income for the period)			111.20		127.23		29.68		37.13
XVII Earnings per equity share:(for continued Operation):									
(1) Basic	30		0.713		0.816		0.190		0.238
(2) Diluted	30		0.713		0.816		0.190		0.238
XVII Earnings per equity share:(for discontinued Operation):									
(1) Basic			-		-		-		-
(2) Diluted			-		-		-		-
XVIII Earnings per equity share:(for discontinued & continuing operations)									
(1) Basic	30		0.713		0.816		0.190		0.238
(2) Diluted	30		0.713		0.816		0.190		0.238

See accompanying notes to the restated financial statements

As per our Audit report of even date attached.

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

SAH POLYMERS LIMITED
RESTATED CASH FLOW STATEMENT FOR THE YEAR/PERIOD ENDED 30 JUN ,2021 (Rs. in lakhs)

Sr. No.	Particulars	Period ended 30.06.2021	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2019
		Standalone	Standalone	Consolidated	Consolidated
A	**Cash Flow from Operating Activities**				
	Net Profit before tax	134.83	162.21	51.45	74.92
	Adjustments for:				
	Depreciation	20.44	80.56	76.50	71.18
	Interest Paid	31.02	82.25	133.36	98.92
	(Profit)/Loss on sale of property, plant and equipment	-	3.52		14.51
	Provisions of Gratuity	2.72			
	provisions of leave encashment	-	-	0.79	0.47
	Operating Profit before working capital changes	**189.01**	**328.54**	**262.10**	**260.00**
	Adjustment for Changes in Working Capital:				
	Decrease/(Increase) in Trade Receivables	85.01	(69.22)	(25.91)	(444.38)
	Increase/(decrease) in financial liabilities		-	(62.50)	478.22
	Increase/(decrease) in other current liabilities and provision	55.10	77.66	27.41	(111.57)
	Increase in financial liabilities	-	75.47		
	Increase/(decrease) in financial assets	-	-	(82.00)	2.03
	Increase in Loan	(294.44)	82.00		
	Other bank Balances	45.63	15.00		
	Increase/(Decrease) in Trade Payables	62.69	(107.14)	51.06	128.72
	Increase in other non current assets	(16.78)	7.53	(3.19)	9.45
	Non Current Financial assets	(50.29)	(3.81)	(32.29)	
	Increase in other current assets	8.21	(241.36)	102.37	(203.92)
	Increase in tax assets	-	(1.79)	25.29	
	Decrease/(Increase) in Stock	(154.71)	(10.80)	18.09	221.41
	Cash Generated from Operations	(70.57)	152.08	280.43	339.96
	Income Taxes Refund / (Paid)	1.62	9.85	17.10	7.89
	Net Cash Inflow /(Out Flow) from Operation (A)	**(72.19)**	**142.23**	**263.33**	**332.07**
B	**Cash Flow from Investing Activities:**				
	Sale of fixed assets	-	0.60		9.39
	Purchase of fixed assets	(0.94)	(235.22)	(87.30)	(106.65)
	WIP	(20.98)	(1.75)		
	Net Cash Inflow/(Outflow) from investing Activities (B)	**(21.92)**	**(236.37)**	**(87.30)**	**(97.26)**
C	**Cash flow from Financing Activities**				
	Repayment of borrowings	-	89.67	(32.96)	(62.51)
	Increase in borrowing	15.40	78.29		
	Interest Paid	(31.02)	(82.25)	(133.36)	(98.92)
	Net Cash Inflow /(Out Flow) from Financing Activities (C)	**(15.62)**	**85.71**	**(166.32)**	**(161.43)**
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	**(109.73)**	**(8.43)**	**9.71**	**73.38**
	CASH AND CASH EQUIVALENTS				
	As at the beginning of the year (Refer Note 8)	**194.30**	**50.20**	**152.41**	**76.15**
	Cash and cash equivalent of amalgamating Company	**-**	**54.11**	**-**	
	Less : Cash Credit	**690.54**	**592.12**	**649.92**	**647.04**
	As at the end of the year (Refer Note 8)	**20.48**	**194.30**	**104.32**	**152.41**
	Less : Cash Credit	**626.45**	**690.54**	**592.12**	**649.92**
	Net Increase/Decrease in cash & Cash equivalents	**(109.73)**	**(8.43)**	**9.71**	**73.38**

Notes:

1 The above Restated Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7, Statement of Cash Flows.

See accompanying notes to the restated financial statements

As per our Audit report of even date attached.

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by Our Company[(1)]	Issue of upto 57,00,000* Equity Shares of face value of ₹ 10/- each fully paid up for cash at a price of ₹ [●]/- per Equity share aggregating ₹ [●] lakhs[(2)]
***Consisting of*:**	
Market Maker Reservation Portion	[●] Equity Shares of face value of ₹ 10/- each fully paid up of the Company for cash at a price of ₹ [●] /- per Equity share aggregating ₹ [●] lakhs.
Net Issue to the Public	Up to [●] Equity Shares of face value of ₹ 10/- each fully paid of the Company for cash at a price of ₹ [●] /- per share aggregating ₹ [●] lakhs.
Of Which	
A. QIB Portion[(3) (4)]	No shares shall be reserved for allocation to QIBs. **
B. Retail Portion[(3) (4)]	[●] Equity Shares of face value of ₹ 10/- each fully paid of the Company at a cash price of ₹ [●]/- per Equity share aggregating ₹ [●] lakhs will be available for allocation to Investors applying with application value of up to ₹ 2.00 lakhs
C. Non-Institutional Portion[(3) (4)]	[●] Equity Shares of face value of ₹ 10/- each fully paid of the Company for cash at price of ₹ [●]/- per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Investors applying with application value of above ₹ 2.00 lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	155,96,000 Equity Shares of face value of ₹ 10/- each.
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of ₹ 10/- each.
Utilization of proceeds of this Issue	For details please refer chapter titled "*Objects of the Issue"* beginning on page 81 of this Draft Red Herring Prospectus for information on use of Issue Proceeds.

**Number of shares may need to be adjusted for lot size upon determination of issue price.*
***There are no equity shares reserved for allocation to QIB Portion. However, QIBs can apply in the Non-Institutional Portion.*

Notes:-

1) *The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

2) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 23 , 2021 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on September 13, 2021.*

3) *The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, wherein not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs. Further not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. For further details, see "Issue Procedure" beginning on page 211 of this Draft Red Herring Prospectus.*

4) *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the National Stock Exchange of India Limited. For further details please refer to section titled 'Issue structure' beginning on page 209 of this Draft Red Herring Prospectus.*

GENERAL INFORMATION

REGISTERED OFFICE OF OUR COMPANY

Sah Polymers Limited
E-260-261, Mewar, Industrial Area, Madri
Udaipur (Raj.)-313003
Tel: +91 294 2493889
Fax No.: N.A
Email:info@sahpolymers.com
Website: www.sahpolymers.com
Registration Number: 006657
CIN:U24201RJ1992PLC006657

For details relating to changes in our registered office, see the section titled "History and Certain Corporate Matters - Changes in Registered Office" on page 139.

MANUFACTURING UNIT OF OUR COMPANY

Sah Polymers Limited
E-260-261, Mewar,Industrial Area, Madri,
Udaipur (Raj.)-313003
Tel: +91 294 2493889
Email: info@sahpolymers.com
Fax No.: N.A
Website: www.sahpolymers.com
Registration Number: 006657
CIN:U24201RJ1992PLC006657

Processing Unit
G-260, IID Center, Kaladwas, Udaipur ,Rajasthan 313003
Tel: 9799089998
Contact person- Ayyaz Hussain
Email: info@sahpolymers.com
Fax No.: N.A
Website: www.sahpolymers.com
Registration Number: 006657
CIN:U24201RJ1992PLC006657

CORPORATE OFFICE OF OUR COMPANY

Sah Polymers Limited
121, B-Wing, Mittal Tower,
Nariman Point
Mumbai- Maharashtra-400010
Tel: +91 22 22042019
Fax No.: N.A
Email:info@satgroup.in
Website: www.sahpolymers.com
Registration Number: 006657
CIN:U24201RJ1992PLC006657

REGISTRAR OF COMPANIES

Registrar of Companies, Jaipur,Rajasthan
ROC-cum-Official Liquidator, Ministry of Corporate Affairs
C/6-7, 1st Floor, Residency Area, Civil Lines,
Jaipur-302001, Rajasthan
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited
Exchange Plaza, C/1, G Block,
BandraKurla Complex, Bandra (East),

Mumbai - 400 051,
Maharashtra, India.
Website: www.nseindia.com

BOARD OF DIRECTORS OF OUR COMPANY

The following table sets out details regarding our Board as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1.	Asad Daud	31	02491539	303, Aashiana, 3rdGun powder Lane, Mazgaon, Near Nana Nani Park, Mumbai-400010	Managing Director
2.	Hakim Sadiq Ali Tidiwala	63	00119156	30, Fatehpura , Kharol Colony , Udaipur-313004	Wholetime Director
3.	Ramesh Chandra Soni	61	00049497	29, Chhoti Maheshwari Street, Dhanmandi, Udaipur-313001	Non-executive Independent Director
4.	Sanjay Suthar	27	07777202	Jhadol, Falasiya, Kolyari , Udaipur -313701	Non-executive Independent Director
5.	Nikhil KhanderaoRaut	29	06653335	Kamal Niwas, Near Municipal School, Penkar Pada,Mira Road East, Mira-Bhayander, Thane, Maharashtra- 401107	Non-executive Independent Director
6.	Chetna	31	08981045	H. No. 138, Rithala, Delhi, Delhi- 110085	Non-executive Independent Director

For further details of our Directors, please refer to the chapter titled *"Our Management"* beginning on page 143 of this Draft Red Herring Prospectus.

CHIEF FINANCIAL OFFICER

Lalit Kumar Bolia
Sah Polymers Limited
E-260-261, Mewar, Industrial Area, Madri
Udaipur (Raj.)-313003
Tel: +91 294 2493889
Fax No.: N.A
Email: cfo@sahpolymers.com
Website: www.sahppolymers.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Debanshu Deb
Sah Polymers Limited
E-260-261, Mewar, Industrial Area, Madri
Udaipur (Raj.)-313003
Tel: +91 294 2493889
Fax No.: N.A
Email: cs@sahpolymers.com
Website: www.sahpolymers.com

Investors can contact the Company Secretary and Compliance Officer, the BRLM 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. For all the issue related queries and for redressal of complaints, Bidders may also write to the Book Running Lead Manager or the Registrar in the following manner:

All Issue related 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 Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs bidding through the UPI Mechanism.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

STATUTORY AUDITORS AND PEER REVIEW AUDITOR

Ajay Paliwal & Co.
Chartered Accountants
418, Teachers Colony, Ambamata Scheme, Udaipur-313001
Tel: 91 294 2430466
Email: ajayhpaliwal@gmail.com
Contact Person: Ajay Paliwal
Website: N.A.
Firm Registration No.:12345C
Membership No.: 403290

BOOK RUNNING LEAD MANAGER

PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court,
BandraKurla Complex, Bandra (East)
Mumbai 400051, Maharashtra, India
Tel: +91 22 6194 6700
Fax: + 91 22 2659 8690
Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Contact Person: Kruthika Shetty
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400083, Maharashtra, India.
Tel: 022-49186200
Fax: 022-49186195
Email: sah.ipo@linkintime.co.in
Investor Grievance ID: sah.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

LEGAL ADVISOR TO THE ISSUE

M V KINI, LAW FIRM
Kini House, Near Citi Bank, D.N. Road,
Fort, Mumbai - 400001, Maharashtra, India
Tel: +91 22 6666 6577/78/79
Fax: +91 22 22612531
E-mail:vidisha@mvkini.com

Contact Person: Vidisha Krishan
Website:www.mvkini.com

BANKER TO THE COMPANY

UCO BANK
Address-6-B, Bapu Bazar, Udaipur, Rajasthan - 313001
Tel: 0294-2421126, 0294-2425926
Fax: 0294-2425926
E-mail: udaipu@ucobank.co.in
Contact Person: Mr. Abhinav Burad

PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER & SPONSOR BANK

[●]*
Tel: [●]
Fax: [●]
E-mail: [●]
Contact Person: [●]
Website: [●]
SEBI Registration Number: [●]

** The Banker to the Issue will be appointed prior to registering of Red Herring Prospectus with the ROC.*

SYNDICATE MEMBER

[●]*
Tel: [●]
Fax: [●]
E-mail: [●]
Contact Person: [●]
Website: [●]
SEBI Registration Number: [●]

** The Syndicate Member to the Issue will be appointed prior to registering of Red Herring Prospectus with the ROC.*

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

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

Investors Banks or Issuer Bank 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 provided on the website of SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

Registered Brokers

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

Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.

CREDIT RATING

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

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 10,000 Lakhs. Since the issue size is only of ₹ [●] lakhs, our Company has not appointed any monitoring agency for this issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue. Further, our Company has not appointed any appraisal agency for this issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to this issue, a statement of inter se allocation of responsibilities among Book Running Lead Managers is not applicable.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the financial years ended March 31, 2021, 2020 and 2019 and for the period ended June 30, 2021 as included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinion.

DEBENTURE TRUSTEE

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

GREEN SHOE OPTION

No green shoe option is contemplated under the Offer.

FILING OF OFFER DOCUMENT

The Draft Red Herring Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in. A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies situated at Ministry of Corporate Affairs, C/6-7, 1st Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band has been determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, [●], all editions of a widely circulated Hindi Newspaper, [●] and a [•] edition of widely circulated [•] regional Newspaper, [•] being the regional language of Rajasthan, Udaipur, where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price has been determined by our Company in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited,

- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with [●] Limited and eligible to act as Underwriters. The Syndicate Member(s) was appointed by the BRLM;
- The Registrar to the Issue
- The Escrow Collection Banks/ Bankers to the Issue;
- The Sponsor Bank(s);
- The Designated Intermediaries

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For further details on the method and procedure for Bidding, see "Issue Structure" and "Issue Procedure" on pages 209 and 211, respectively.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in this Issue.

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the issue) Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20.00 to ₹ 24.00 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Bid Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22/- in the above example. The Issuer in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs. 22/-. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled *"Issue Procedure"* on page 211 of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.

5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form.

BID / ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds / Unblocking of ASBA accounts	On or before [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non-Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non-Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

UNDERWRITER

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

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees in Lakhs)	% of the Total issue size Underwritten
[•] [•] **Tel:** +91 [•] **Fax:** + 91 [•] **Email:** [•] **Website**:[•] **Contact Person:** [•] **SEBI Registration Number**:[•]	Upto [●]*	[●]	[●]
Total	**Upto [●]**	[●]	[●]
[•] [•] **Tel:** +91 [•]			

Fax: + 91 [•] **Email:** [•] **Website**:[•] **Contact Person:** [•] **SEBI Registration Number**:[•]			
Total	**Upto [●]**	[●]	[●]

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

** The Underwriter to the Issue will be appointed prior to registering of Red Herring Prospectus with the ROC.*

The abovementioned underwriting commitments are intentionally left blank and will be finalised after pricing of the Offer, the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

There has been no change in the Auditors during last three financial years preceding the date of this Draft Red Herring Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated [●], with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making.

Asnani Stock Broker Private Limited
103, Sindhi Colony, Pratap Nagar, Chittorgarh-312001, Rajasthan
Tel: +91 9351412345, 01472-244973, 246343
Fax: NA
Email: asnani@asnanionline.com**,**vinod@asnanionline.com
Contact Person: Vinod Asnani
SEBI Registration Number: INZ000190431

Asnani Stock Broker Private Limited, registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker(s) (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. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time to time and the same shall be updated in Prospectus. 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).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of National Stock Exchange of India Limited and SEBI from time to time.
3. 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 Issue 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. Based on the IPO price of [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●]/- until the same, would be revised by National Stock Exchange of India Limited.

4. 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 (including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.

5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.

6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [●]is acting as the sole Market Maker.

8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.

9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.

10. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to Rs. 250 crores, the applicable price bands for the first day shall be:
i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

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

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

11. 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.

12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) 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. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) 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 5 (five) or as specified by the relevant laws and regulations

applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

13. National Stock Exchange of India Limited will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.

14. National Stock Exchange of India Limited 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.

15. 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 Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

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

16. 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

Note- Our Company was originally incorporated on April 20, 1992. Certain transfer deeds are not traceable by our company for the transfer of shares done prior to filing of this DRHP.Hence, this chapter is prepared based data provided by the management viz. certain Annual returns, Board Resolutions, Minutes as accorded by company, Transfer Registers and Management representation letters and to the best of the information available..

Our Equity Share capital, as at the date of this Draft Red Herring Prospectus and after the proposed Issue is set forth below: ***(₹ in lakhs, except share data)***

	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
A.	**AUTHORISED SHARE CAPITAL**		
	2,50,00,000 Equity Shares of ₹ 10/- each.	2,500.00	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	Issued & paid up 1,55,96,000 Equity shares of ₹ 10/- each	1,559.60	-
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Issue of Upto 57,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share	Upto 570.00	[●]
	Consisting:		
	Reservation for Market Maker of Upto [●] Equity Shares	[●]	[●]
	Net Issue to Public of Upto [●] Equity Shares	[●]	[●]
	Of the Net Issue to the Public		
	Allocation to Retail Individual Investors of Upto [●] Equity Shares	[●]	[●]
	Allocation to other than Retails Individual Investors of upto [●] Equity Shares	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of ₹ 10/- each		[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue		280.00
	After the Issue		[●]

**To be included upon finalization of Issue Price*

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 23, 2021 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-ordinary General Meeting held on September 13, 2021.

The Company has one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All Equity Shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

Notes to Capital Structure

1. Details of change in authorised share capital since incorporation

Particulars of Change		Date of Shareholder's Meeting	AGM/EGM
Increased / Reclassified from	**Increased / Reclassified to**		
The authorized share capital of our Company on incorporation comprised of ₹ 500000 divided into 50,000 Equity Shares of ₹ 10/- each		On Incorporation	-
₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10/- each	₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10/- each.	April 30, 1992	EGM
50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10/- each.	₹ 1,50,00,000 consisting of 15,00,000 Equity Shares of ₹ 10/- each.	August 31, 1998	EGM
₹ 1,50,00,000 consisting of 15,00,000 Equity Shares of ₹ 10/- each.	₹ 2,00,00,000 consisting of 20,00,000 Equity Shares of ₹ 10/- each	January 5, 2005	EGM
₹ 2,00,00,000 consisting of 20,00,000 Equity Shares of ₹ 10/- each	₹ 4,00,00,000 consisting of 40,00,000 Equity Shares of ₹ 10/- each	March 16, 2007	EGM
₹ 4,00,00,000 consisting of 40,00,000 Equity Shares of ₹ 10/- each	₹ 5,00,00,000 consisting of 50,00,000 Equity Shares of ₹ 10/- each	June 16, 2008	AGM
₹ 5,00,00,000 consisting of 50,00,000 Equity Shares of ₹ 10/- each	₹ 10,00,00,000 consisting of 1,00,00,000 Equity Shares of ₹ 10/- each	October 23, 2009	EGM
Pursuant to Subdivision from 1 equity share of Rs.10/- each into 5 equity share of Rs. 2/-each the Existing Authorised Share capital is ₹ 10,00,00,000 consisting of 5,00,00,000 Equity shares of Rs. 2/- each		November 17, 2009	EGM
₹ 10,00,00,000 consisting of 5,00,00,000 Equity shares of Rs. 2/- each	₹ 11,00,00,000 consisting of 5,50,00,000 Equity shares of Rs. 2/- each	December 14, 2009	EGM
Pursuant to Consolidation from 5 equity share of Rs.2/- each into 1 equity share of Rs. 10/-each the Existing Authorised Share capital is ₹ 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs. 10/- each		October 11, 2011	EGM
₹ 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs. 10/- each	₹ 15,00,00,000 consisting of 1,50,00,000 Equity shares of Rs. 10/- each	March 18, 2013	EGM
₹ 15,00,00,000 consisting of 1,50,00,000 Equity shares of Rs. 10/- each	₹ 16,00,00,000 consisting of 1,60,00,000 Equity shares of Rs. 10/- each	March 20, 2018	EGM
₹ 16,00,00,000 consisting of 1,60,00,000 Equity shares of Rs. 10/- each	₹ 16,50,00,000 consisting of 1,65,00,000 Equity shares of Rs. 10/- each*	Not Applicable	
₹ 16,50,00,000 consisting of 1,65,00,000 Equity shares of Rs. 10/- each	₹ 25,00,00,000 consisting of 2,50,00,000 Equity shares of Rs. 10/- each	July 15, 2021	EGM

**the increase in Authorised share capital is pursuant to the composite scheme of arrangement in the nature of amalgamation of Sah polymers limited , Holding Company and Sah E-com limited, the wholly owned Subsidiary ("WOS") and their respective shareholders and creditors resulting into amalgamation of WOS in the holding company w.e.f. April 1, 2019 (effective pursuant pursuant to order dated August 21, 2020 vide order No. (02)/2020-21/753) . For further details on amalgamation please refer the History and certain other corporate matters Chapter on Page number 139 of this Draft Red Herring Prospectus.*

2. **History of Equity Share Capital of our Company**

a. The following is the history of the Equity Share Capital of our Company:

Date of Allotment	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in ₹)
At the time of incorporation	70	10	10	Cash	Subscription to MoA[(i)]	70	700
September 18, 1998	14,50,000	10	10	Cash	Private placement (ii)	1450070	1,45,00,700
December 1, 2005	5,47,430	10	10	Cash	Preferential Issue (iii)	1997500	1,99,75,000
March 29, 2007	17,00,000	10	10	Cash	Preferential Issue (iv)	36897500	3,69,75,000
July 1, 2008	10,60,500	10	10	Cash	Preferential Issue (v)	4758000	4,75,80,000
October 27, 2009	22,42,000	10	10	Cash	Preferential Issue (vi)	7000000	7,00,00,000
Pursuant to Subdivision from 1 equity share of Rs.10/- each into 5 equity share of Rs. 2/-each the existing paid up share capital of 70,00,000 equity shares of Rs. 10 each splits to 3,50,00,000 Equity shares of Rs. 2 each							
December 11, 2009	1,23,20,000	2	2	Cash	Preferential Issue (vii)	47320000	9,46,40,000
Pursuant to Consolidation from 5 equity share of Rs.2/- each into 1 equity share of Rs. 10/-each the existing paid up share capital of 47320000 equity shares of Rs. 2/- each consolidates to 9464000 Equity shares of Rs. 10/- each							
March 18, 2013	47,32,000	10	-	Other than cash	Bonus Issue(viii)	14196000	14,19,60,000
March 30, 2018	14,00,000	10	30	other than cash	Allotment pursuant to conversion of unsecured loan into Equity(ix)	15596000	15,59,60,000
Total	**1,55,96,000***						

*considering total of Equity shares assuming face value of Rs. 10/- for all the allotments.

(i) Initial Subscribers to Memorandum of Association subscribed 70 Equity Shares of face value of ₹ 10/- each fully paid on April 04, 1992, as per the details given below:

Sr. No.	Name of Person	No. of shares Subscribed
1.	Daud Ali Dawood	10
2.	Hatim Ali Dawood	10
3.	Shabbir Hussain Dawood	10
4.	Mohammed Hussain Dawood	10

Sr. No.	Name of Person	No. of shares Subscribed
5.	Rashida Daud	10
6.	Zubeda Daud	10
7.	Batool Daud	10
	Total	**70**

(ii) Private placement of 14,50,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ 10/- each equity shares on September 18, 1998 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Hakim S. Tidiwala	250000
2.	Sakina Tidiwala	112500
3.	Hatim Ali Heetawala	145000
4.	Mansoor Ali	188500
5.	Abbas Ali Bandookwala	100000
6.	Tasneem A Bandookwala	100000
7.	Muslim Bandookwala	100000
8.	Tasneem M Bandookwala	90000
9.	Tokir Bandookwala	100000
10.	Nafisa Bandookwala	90000
11.	Dawood Investment Pvt Ltd	174000
	Total	**14,50,000**

(iii) Preferential Issue of 5,47,430 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on December 01, 2005 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Sat Industries Limited (formerly known as Sat Investeck Limited)	5,47,430
	Total	**5,47,430**

(iv) Preferential Issue of 17,00,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on March 29, 2007 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Sat Industries Limited	1700000
	Total	**17,00,000**

(v) Preferential Issue of 1060500 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on July 1, 2008 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Sat Industries Limited	10,60,500
	Total	**10,60,500**

(vi) Preferential Issue of 2242,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on October 27, 2009 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Sat Industries Limited	22,42,000
	Total	**22,42,000**

(vii) Preferential Issue of 1232000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on December 11, 2009 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Sat Invest Private Limited	70,00,000
2	Space Age Polymers Private Limited	49,00,000
3	Om Prakash Khandelwal	4,20,000
	Total	**1,23,20,000**

(viii) Bonus Issue of 4732000 Equity Shares in the ratio of 2:1 of face value of ₹ 10/- each fully paid held by the members of the Company, on February 16, 2013 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Hakim Sadiq Tidiwala	1,25,035
2	Sakina Tidiwala	56,250
3	Abbas Ali Bandookwala	50,000
4	Tasneem A Bandookwala	50,000
5	Muslim Bandookwala	50,000
6	Tasneem M Bandookwala	45,000
7	Tokir Bandookwala	50,000
8	Nafisa Bandookwala	45,000
9	Sat Invest Private Limited	22,64,965
10	Lion Houseware Private Limited	10,42,000
11	Park Continental Limited	9,53,750
	Total	**47,32,000**

(ix) Allotment of 14,00,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 30/- each equity shares pursuant to cocnversion of unsecured loan into Equity on March 30, 2018 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1	Sat Industries Limited	14,00,000
	Total	**14,00,000**

2. We have not issued any Equity Shares for consideration other than cash except as mentioned below:-

Date of Allotment *	Nature of allotment	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Reasons for allotment	Benefits accrued to our Company
February 16, 2013	Bonus Issue	47,32,000	10	Not applicable	Other than cash	Bonus Issue	Capitalisation of Reserves
March 30, 2018	Allotment pursuant to conversion of unsecured loan into Equity	14,00,000	10	30	Other than cash	Conversion of unsecured loan into Equity	Debt into equity

** For details of Allottees, please refer point no. 2(viii) & (ix) above.*

3. No Equity Shares have been allotted pursuant to any scheme approved under Section 391 – 394 of the Companies Act, 1956 or Section 230-234 of Companies Act, 2013.

4. Our company has not issued any shares pursuant to an Employee Stock Option Scheme.

5. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid/ Issue Closing Date. We have not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus which may be lower than the Offer Price

7. As on date of this Draft Red Herring Prospectus, our Company has not issued preference shares and does not have any outstanding preference shares. None of the members of the Promoter group, our Promoter, the Directors of our Company and their relatives have purchased or sold Equity shares during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

8. Build-up of Promoter's capital, Promoter's contribution and lock-in

i. Build-up of Promoter's shareholdings*:*

As on the date of this Draft Red Herring Prospectus our Promoter, Sat Industries Limited holds 1,43,16,000* Equity Shares, constituting 91.79 % of the issued, subscribed and paid-up Equity Share capital of our Company. The built-up of shareholding of our Corporate Promoter are as follows:

*inclusive of shares held by nominees on behalf of Sat Industries Limited.

a. Sat Industries Limited

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price	Nature of Transaction	% of Pre-Issue Paid up Capital
December 1, 2005	5,47,430	10	10	Private Placement	3.51

December 1, 2005	1,74,000	10	10	Transfer from M/s Dawood Investment Pvt. Ltd.	1.12
December 1, 2005	1,88,500	10	10	Transfer from Mr. Mansoors Ali Najmuddin	1.20
December 1, 2005	1,45,000	10	10	Transfer from Mr. Hatim Ali Heetawala	0.93
March 29, 2007	17,00,000	10	10	Preferential Issue	10.90
July 1, 2008	10,60,500	10	10	Preferential Issue	6.80
October 27, 2009	22,42,000	10	10	Preferential Issue	14.38
November 03, 2009	(21,49,930)	10	15	Transfer to M/s. Sat Invest Pvt. Ltd.	(13.78)
January 03, 2012	(20,00,000)	10	15.50	Transfer to M/s. lion Houseware P. Ltd	(12.82)
January 03, 2012	(19,07,500)	10	15.50	Transfer to M/s. Park Continental Pvt ltd.	(12.23)
Total	**Nil**				**Nil**

Since July 1, 2015 Sat Industries Limited has been identified as Promoter of our Company.

Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value**	**Issue/ Acquisition Price**	**Nature of Transaction**	**% of Pre-Issue Paid up Capital**
July 1, 2015	45,29,930	10	11	Transfer from M/s. Sat Invest Pvt. Ltd.	29.04
July 1, 2015	20,84,000	10	11	Transfer from M/s. Lion Houseware Private. Ltd	13.36
July 1, 2015	19,07,500	10	11	Transfer from M/s. Park Continental Pvt ltd.	12.23
March 23, 2016	7,64,965	10	10	Transfer from M/s. Sat Invest Pvt. Ltd.	4.90
March 23, 2016	9,53,750	10	10	Transfer from M/s. Park Continental Pvt ltd	6.11
March 23, 2016	10,42,000	10	10	Transfer from M/s. Lion Houseware Pvt. Ltd	6.68
February 6, 2017	375105	10	11	Transfer from Hakim S Tidiwala	2.40
February 6, 2017	1,68,750	10	11	Transfer from Sakina Tidiwala	1.08

February 6, 2017	1,50,000	10	11	Transfer from Abbas Ali Bandookwala	0.96
February 6, 2017	1,50,000	10	11	Transfer from Tokir Bandookwala	0.96
February 6, 2017	1,50,000	10	11	Transfer from Tasneem A Bandookwala	0.96
February 6, 2017	1,50,000	10	11	Transfer from Muslim Bandookwala	0.96
February 6, 2017	1,35,000	10	11	Transfer from Tasneem M Bandookwala	0.86
February 6, 2017	1,35,000	10	11	Transfer from Nafisa Bandookwala	0.86
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Asad Daud	Negligible
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Shehnaz D. Ali	Negligible
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Harikant turgalia	Negligible
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Nitin Shinde	Negligible
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Mahipal jain	Negligible
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Rangarao chinchulkar	Negligible
February 06, 2017	1**	10	11	Transfer from Muslim Bandookwala to Lalit kumar bolia	Negligible
March 30, 2018	14,00,000	10	30	Preferential Issue	8.97
March 30, 2018	2,20,000	10	30	Transfer from Sat Invest Private Limited	1.41
Total	**1,43,16,000**				**91.79**

***1 Equity share each held by the Nominees on behalf of our Promoter of our Company*

- All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.
- None of the Equity Shares held by our Promoter are pledged.

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

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoter, Sat Industries Limited 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 the 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.

Our Promoter have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20% of the post Issue Equity Shares of our Company

and 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. The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

No. of Equity Shares Locked in*	Face Value (in ₹)	Issue/ Acquisition Price	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	% of post-Issue paid-up capital**	Lock in period
Sat Industries Limited						
[●]	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**
Total	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

** All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

*** Subject to finalisation of Basis of Allotment.*

The Minimum Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In this connection, we confirm the following:

i The Equity Shares Issued for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

ii The minimum Promoter's Contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;

iii No Equity shares have been issued to our promoter upon by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm;

iv The Equity Shares held by the Promoter and offered for minimum Promoter's contribution are not subject to any pledge

v All the equity shares of our Company held by the Promoter are dematerialized except for 2 Equity shares held by the nominees on behalf of Promoter

iii. Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoter's Contribution subject to lock-in.

iv. ***Details of share capital locked in for one year***

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire pre-Issue capital of our Company would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations.

v. *Other requirements in respect of lock-in*

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoter's Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

The Equity Shares held by the Promoter may be transferred to the Promoter Group or to new promoters or persons

in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations.

Further, pursuant to Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoter 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, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

9. *Our Shareholding Pattern*

The table below represents the shareholding pattern of our Company:-

i. Summary of shareholding pattern as on the date of this Draft Red Herring Prospectus:

Category	Category of shareholder	Number 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 no. of shares held	Shareholding as % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	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 dematerialised form
								Class Equity X	Class Others Y	Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held	No. (a)	As a % of total Shares held(b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
A	**Promoter & Promoter Group**	9	**1,55,96,000**	-	-	**1,55,96,000**	**100**	-	-	-	100	-	-	[●]	[●]	-	-	1,55,95,998
B	**Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

C	**Non-Promoter Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	**Shares Underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	**Shares Held By Employee Trust**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**9**	**1,55,96,000**	-	-	**1,55,96,000**	**100**	-	-	-	100	-	-	[●]	[●]	-	-	**155,95,998**

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

*** All pre issue Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on Emerge Platform of National stock Exchange of India Limited.*

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares.

In terms of SEBI circular bearing Number Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, all the Equity Shares held by the Promoter / members of the Promoter Group are held in dematerialized prior as on the date to filing this Draft Red Herring Prospectus.

10. Details of Equity Shares held by our Directors, Key Managerial Personnel, Promoter Group and directors of our Promoter:

i) Except as stated below, our Directors and KMP do not hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue#	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post - Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
1.	Asad Daud	1*	Negligible	[●]	[●]
2.	Lalit Bolia	1*	Negligible	[●]	[●]

* In their capacity as nominees on behalf of Sat Industries Limited

 # Subject to finalisation of Basis of Allotment

ii) Set out below are the details of the Equity Shares held by our Promoter and the members of our Promoter Group (other than the Promoter) and the directors of our Promoter in our Company:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue@	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post - Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
Promoter					
1.	Sat Industries Limited	143,16,000*	91.79%	[●]	[●]
	Sub-Total (A)	**143,16,000**	**91.79%**	[●]	[●]
Promoter-Group					
3.	Sat Invest Private Limited	12,80,000	8.21%	[●]	[●]
4.	Rangarao Chinchulkar	1#	Negligible	[●]	[●]
5.	Nitin Shinde	1#	Negligible	[●]	[●]
6.	Mahipal Jain	1#	Negligible	[●]	[●]
Shares held by the Directors of our Promoter in our Company					
7.	Asad Daud	1#	Negligible	[●]	[●]
8.	Mrs. Shehnaz D Ali	1#	Negligible	[●]	[●]

9.	Harikant Turgalia	1[#]	**Negligible**	**[●]**	**[●]**
	Sub-Total (B)	**12,80,000**	**8.21%**	**[●]**	**[●]**
	TOTAL (A)+(B)	**1,55,96,000**	**100%**	**[●]**	**[●]**

[@]*Subject to finalisation of Basis of Allotment*

** 1,43,15,993 Equity shares are held by Sat Industries limited and 1 Equity share each is held by Mr. Asad Daud, Mrs. Shehnaz D Ali, Harikant Turgalia, Rangarao Chinchulkar, Nitin Shinde, Lalit Kumar Bolia, Mahipal Jain in their capacity as Nominees of Sat Industries Limited.

[#] 1 Equity share each is held by Mr. Asad Daud, Mrs. Shehnaz D Ali, Harikant Turgalia, Rangarao Chinchulkar, Nitin Shinde, Lalit Kumar Bolia, Mahipal Jain in their capacity as Nominees of Sat Industries Limited and these shares are already included in the shareholding of Sat industries Limited disclosed above.

11. The list of the shareholders of the company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the company:

a. As on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Sat Industries Limited	1,43,15,993	91.79
2.	Asad Daud*	1	Negligble
3.	Shehnaz D Ali*	1	Negligble
4.	Harikant Turgalia*	1	Negligble
5.	Rangarao Chinculkar*	1	Negligble
6.	Nitin Shinde*	1	Negligble
7.	Lalit kumar Bolia*	1	Negligble
8.	Mahipal jain*	1	Negligble

***Held as nominee on behalf of Sat industries Limited**

b. Ten days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	**Name of Shareholders**	**Number of Equity Shares**	**% of the total Pre Issue Paid-up Share Capital**
1.	Sat Industries Limited	1,43,15,993	91.79
2.	Asad Daud*	1	Negligble
3.	Shehnaz D Ali*	1	Negligble
4.	Harikant Turgalia*	1	Negligble
5.	Rangarao Chinculkar*	1	Negligble

6.	Nitin Shinde*	1	Negligble
7.	Lalit kumar Bolia*	1	Negligble
8.	Mahipal jain*	1	Negligble

***Held as nominee on behalf of Sat industries Limited**

Note: Details as on *September 26, 2021*, being the date ten days prior to the date of this Draft Red Herring Prospectus.

c. One year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Sat Industries Limited	1,43,15,993	91.79
2.	Asad Daud*	1	Negligble
3.	Shehnaz D Ali*	1	Negligble
4.	Harikant Turgalia*	1	Negligble
5.	Rangarao Chinculkar*	1	Negligble
6.	Nitin Shinde*	1	Negligble
7.	Lalit kumar Bolia*	1	Negligble
8.	Mahipal jain*	1	Negligble

***Held as nominee on behalf of Sat industries Limited**

Note: Details as on *October 06, 2020*, being the date one year prior to the date of this Draft Red Herring Prospectus.

d. Two years prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Sat Industries Limited	1.43.15.993	91.79
2.	Asad Daud*	1	Negligble
3.	Shehnaz D Ali*	1	Negligble
4.	Harikant Turgalia*	1	Negligble
5.	Rangarao Chinculkar*	1	Negligble
6.	Nitin Shinde*	1	Negligble
7.	Lalit kumar Bolia*	1	Negligble

8.	Mahipal jain*	1	Negligble

***Held as nominee on behalf of Sat industries Limited**

Note: *Details as on* ***October 06, 2019****, being the date two years prior to the date of this Draft Red Herring Prospectus.*

13. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees 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.

14. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

15. The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the issue. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

16. There are no Equity Shares against which depository receipts have been issued.

17. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed.Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Offer by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing/ and or future organic and/ or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the Offer appropriately in due compliance with the applicable statutory provisions.

18. None of the persons/entities comprising our Promoter Group, the directors of company which is our promoter or our Directors or their relatives or our Company have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

19. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.

20. Our Company, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the issue from any person.

21. An over-subscription to the extent of 10% of the issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% 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 our Promoter and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in.

22. As on date of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.

23. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.

24. As per RBI regulations, OCBs are not allowed to participate in this Issue.

25. Our Company has not raised any bridge loans against the proceeds of the Issue.
26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
27. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
28. An applicant cannot make an application for more than the number of Equity Shares being issued through this issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
29. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in this issue.
30. Our Company has 9 shareholders as on the date of filing of this Draft Red Herring Prospectus.
31. Our Promoter and the members of our Promoter Group will not participate in this Issue.
32. Our Company has not made any public issue since its incorporation.
33. For the details of transactions by our Company with our Promoter Group, Group Companies for the period ended June 30, 2021 and financial years ended March 31, 2021, 2020 and 2019, please refer to paragraph titled *Details of Related Parties Transactions* as restated in the chapter titled *"Restated Financial Information*" on page 164 of this Draft Red Herring Prospectus.
34. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management"* beginning on page 143 of this Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

Requirement of Funds

The proceeds from the Issue, after deducting the Issue related expenses, as estimated to be [●] lakhs (the "**Net Proceeds**").

Our Company proposes to utilize the Net Proceeds towards funding of the following objects:

1. Funding capital expenditure of our proposed new manufacturing facility which is being set up to enable us to manufacture Flexible Intermediate Bulk Containers (FIBC): with an annual installed capacity of 3960 MT at a place different from the existing facilities.

2. General corporate purposes.

(Collectively, referred to herein as the "**Objects**")

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Additionally, we believe that the listing of Equity Shares will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

Issue Proceeds

The details of the proceeds from the Issue are set out in the following table: *(₹ in lakhs)*

Particulars	Estimated amount[(1)]
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
Net Proceeds	[●]

[(1)]To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

Utilization of Net Proceeds

The Net Proceeds are proposed to be used in the manner set out in in the following table: (₹ *in lakhs*)

Sr. No.	**Particulars**	Estimated amount[(1)]
3.	Funding capital expenditure for the Project	1310.00
4.	General corporate purposes[(1)]	[●]

[(1)]To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

Proposed schedule of implementation and deployment of Net Proceeds

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

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2021-22)
1.	Funding capital expenditure for the Project [(1)]	1310.00	1310.00
2.	General corporate purposes[(2)]	[●]	[●]

[(1)] As on the date of this Draft Red Herring, our Company has deployed ₹ 247.69 lakhs from internal accruals towards the Object of the issue as certified by Statutory Auditor of the company vide certificate dated 16th September, 2021. The costs incurred by our Company for acquisition of land required to set up the proposed manufacturing facility forms part of the total estimated cost of the Project.

[(2)] To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers and contractors, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been verified by the Book Running Lead Manager or appraised by any bank or financial institution. However, our Company has obtained a Detailed Project Report dated 27th Sept 2021 from Keyur Shah & Co, for the proposed Project. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, including changes in design or configuration of the project, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Means of finance

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds, internal accruals and through existing as well as proposed debt financing. In view of above, we confirm that, with respect to the Objects, our Company has made firm arrangement of finance through verifiable means towards 75% of the stated means of finance, excluding the amount proposed to be raised through the Issue. While we have available debt financing for 75% of the funds required excluding the Net Proceeds, the expenditure already incurred and existing identified internal accruals may, at the discretion of the management be, utilize for our future internal accruals in order to reduce our financing costs.

Details of estimated means of finance for Net Proceeds are set forth below.

(*₹ in lakhs*)

Objects of the Issue	Total estimated costs(1)	IPO Proceeds	Bank Loan#	Internal Accrual	Unsecured Loan
Funding capital expenditure for the Project (1)	2,500.00	1,310.00	1,000.00	90.00	100.00

 # Company has made application to UCO bank for Availment of Term Loan vide a letter dated 08th September, 2021 for part-funding the Project by way of a term loan of upto ₹ 1000.00 Lakhs. In the event of any unanticipated delay in receipt of such approval, the proposed schedule implementation and deployment of the Net Proceed may be extended or may vary accordingly. Hence our Corporate promoter and holding company viz. SAT Industries Limited, undertakes vide letter dated 17th September, 2021 for funding the gap of financing in case Term loan is not sanctioned or sanction with smaller limit by the Bank . As alternate source of funding the promoter undertakes to lend the lein free Fixed Deposit as security with Kotak Bank Limited by encashing the Fixed deposits in case of absence of aforementioned sanction approval from UCO Bank. Kotak Bank in letter dated September 16, 2021 has confirmed FD's with details mentioned below.

FD Account Number	Amount (INR)
0545937007	4,80,00,000
0545146232	80,00,000
0545946966	15,00,000
0545146959	3,00,00,000
0545147284	1,25,00,000

Details of the Objects

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

1. Funding capital expenditure for the Project

Our current manufacturing facilities are located at Mewar Industrial Area, Madri Udaipur-313003, Rajasthan, India where we manufacture and market diverse range of HDPE/PP woven Sacks. Our Company intends to expand its manufacturing capabilities, by way of addition of a new facility which shall enable it to manufacture Flexible Intermediate Bulk Containers (FIBC) with an annual installed capacity of 3960 MT per annum.

Land

The proposed manufacturing facility is envisaged to be set up at Village : Modi, Tehsil : Vallabh Nagar, District-Udaipur, Rajasthan. The Company has acquired land parcel admeasuring to 16,000 sq.mt. in financial year 20-21 at Udaipur, Rajasthan from Vishnu Lal Joshi. The application for land use of the same has been submitted for conversion from agricultural to industrial. Further as per MSME Act Rajasthan, the same can be taken within 3 years from starting of operations. Our Company has paid a consideration of ₹ 105.51 lakhs for purchasing the said land for the proposed manufacturing unit. We are currently in possession of this land which were acquired by our Company out of our internal accruals and are registered in our name and costs incurred for acquisition of such land parcels form part of the total estimated cost of the Project.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in this acquisition of the land parcels.

Estimated Costs

The total estimated cost of the Project is ₹2500.00 lakhs. The total estimated cost for the Project has been estimated by our management in accordance with our business plan, current and valid quotations from suppliers and contractors and other commercial and technical factors approved by our Board of Directors pursuant to its meeting dated 4th Sept, 2021. Further the same has also been certified by Keyur Shah & Co vide his Project Report dated 27th Sept 2021. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. The detailed break-up of estimated cost is set forth below:

(₹ in lakhs)

Particulars	Amount
Land and Site Development	175.81
Building	518.50
Plant and Machinery	1111.16
Miscellaneous Fixed Assets	504.67
AVVNL Security Deposit	50.00
Pre-Operative Expenses	40.00
Preliminary Expenses	16.00
Provision for Contingencies	51.16
Working Capital Margin	32.70
TOTAL	**2500.00**

The total estimated cost includes payments made by our Company towards the acquisition of land on which the proposed manufacturing unit is intended to be set up.

Means of Finance for the Project

The total estimated cost for the Project is ₹ 2,500 lakhs. We intend to fund the cost of the Project as follows:

(₹ in lakhs)

Source of fund	Total estimated cost
Net Proceeds	1,310.00
Term loan from bank	1,000.00
Unsecured Loan	100.00
Internal Accruals	90.00
Total	**2,500.00**

We propose that any subsequent initial expenditure in relation to the said Project will be funded from our internal accruals until the Net Proceeds are available to our Company.

a) Civil Construction (Building)

Building and civil works for the Project mainly includes site development and construction and engineering related work including building the foundation, structure, roof, doors and windows, drainage and sewerage system, etc. The total estimated cost for civil construction (building) is ₹518.50 lakhs. Our Company has received a quotation dated September 20, 2021 from M/s.B L Mantri & Assiciates Pvt. Ltd. for site development and civil structure. The detailed bifurcation of the estimated cost of civil construction (building) is as follows:

(₹ in lakhs)

Description of work	Amount

Factory Shed	464.03
Utilities , under ground water tank etc.	15.00
Chokidar room and Meter Room etc.	4.50
Office Building	19.80
Electric substation	5.00
TOTAL	**508.33**
Add : Architect Fees @	10.17
Total	**518.50**

**** The above costs is inclusive of applicable taxes***

b) Plant and machinery, technology process, etc.

Our Company proposes to acquire machineries at an estimated cost of about ₹ 1,111.16 lakhs. We have identified the type of plant and machinery to be purchased for the proposed manufacturing unit and obtained quotations from various vendors and we have place order for the plant and machinery worth 851.61 lakhs. The detailed list of plant & machinery to be acquired by our Company is provided below:

Sr No	Description of Machinery to be bought	Number of Machinery	Cost of the machinery (₹ in Lakhs)*	Name of the Supplier	Date of quotation relied upon for the cost estimates
1	Tape Extrusion Line Model Lorex E 120B,1400 HS(RH)	1.00	273.29	Lohia Corp Limited	June 14, 2021
2	Circular Loom Model Nova 6-720(LF)(with WWW+ U/F+CTC	6.00	50.31	Lohia Corp Limited	June 14, 2021
3	Circular Loom Model LSL 620(HF)(with WWW +U/F +CTC	2.00	27.12	Lohia Corp Limited	June 14, 2021
4	Circular Loom Model Nova 62(HF)(with WWW +U/F +CTC	10.00	138.12	Lohia Corp Limited	June 14, 2021
5	Circular Loom Model Nova 82 (HF)(with WWW +U/F +CTC+M.Winder	3.00	82.93	Lohia Corp Limited	June 14, 2021
6	Circular Loom Model LSL10(HF)(with WWW +U/F +CTC+M. Winder	1.00	32.07	Lohia Corp Limited	June 14, 2021

Sr No	Description of Machinery to be bought	Number of Machinery	Cost of the machinery (₹ in Lakhs)*	Name of the Supplier	Date of quotation relied upon for the cost estimates
7	Filament /Cheese winder Model LFW 200CE Winder	288.00	117.33	Lohia Corp Limited	June 14, 2021
8	Lamination Plant	1.00	182.13	JP Extrusiontech	April 1, 2021
9	R P Plant 1 to 1.50 Ton	1.00	15.00	Teknica Corporation	May 12,2021
Total			**918.30**		
Add: GST@18%			165.29		
Add: Freight@3%			27.55		
Total			**1.111.16**		

** An estimated cost of freight @3% has been added to the basic value. The above costs is exclusive of GST. Packing and other ancillary charges shall be additional as per actuals.*

c) Miscellaneous Fixed Assets

Our Company has assumed Miscellaneous Fixed Assets worth Rs. 504.67 lakhs in the estimated costs for the Project.

d) AVVNL Deposit

Our company has estimated that Rs. 50 lacs will need to be submitted to Ajmer Vidyut Vitran Nigam Limited for deposit related to electricity connection.

e) Contingency

We have created a provision for contingency of ₹ 51.16 Lakhs for the total project, which is approximately 2.04% of total project cost, to cover legal fees, professional fees to various consultants, related taxes, levies and other duties, as applicable, and any increase in the estimated cost of setting up the manufacturing unit. No second-hand machinery or material is proposed to be purchased out of the aforesaid Net Proceeds. The abovementioned plant and machinery is proposed to be acquired in a ready-to use condition. We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the machinery and material at the same costs. The quantity of the machinery and material to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery and material at the proposed manufacturing unit, according to the business requirements of the same, which are dynamic and may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

f) Pre-operative Expenditure

The pre-operative expenditure as estimated by our Company is ₹ 40.00 Lakhs, which is approximately 1.6% of total project cost.

g) Infrastructure facilities and utilities

- **Water:**

For the proposed Project, the total water requirement of the unit is around 7000 LPD, which will be procured from underground water source. The water collected will be stored in underground tanks and will be used for water requirement of boiler, cooling, workers / staff and for process water, besides irrigation of lawns and plantations

- **Raw Materials**

The major raw materials required for making of FIBC are polypropylene (PP) Granules and Low Density Polyethylene (LDPE), pigments, calcium carbonate, ultra violet stabilizer. Major suppliers for raw materials are Reliance Industries Limited, Gas Authority of India Ltd, Haldia Petro chemicals Limited, HPCL Mittal Limited and Indian Oil Corporation Limited.

- **Power**

The Company proposes to purchase power via 11 kV Power line from Ajmer Vidhyut Vitran Nigam Limited (AVVNL). The connected load for the project will be 1240 kW while the operating load will be 750 kW considering diversity factor of 1.65. In addition, the Company plans to install a 300 KVA High Performance IGBT/PWM based True-On-Line Double Conversion Microprocessor Controlled UPS system for critical power backup

- **Fuel**

Fuel proposed to be used is diesel. It will be primarily used to operate fork-lifts and material handling equipment and to operate DG Sets

- **Manpower requirement**

The manpower numbers will vary considering the requirement of the plant. Our Company proposes to have 100 skilled and unskilled workers including management and technical personnel.

h) Government and other Approvals

Our Company is yet to apply for various approvals and consent from regulatory authorities for setting up of our manufacturing unit.We shall apply for the pending approvals as and when required in the due course of time.

i) Proposed Schedule of Implementation

The proposed schedule of implementation is as follows:

Activity	Commencement	Completion
Land & Site Development		
Acquisition of Land	Already Acquired	
Building & Civil Construction		
Civil Works – Factory	1st Sept 2021	31st Jan2022
Civil Works – Office and Store room	1st Oct 2021	28th Feb 2022
Civil Works – Ancillary	1st Oct 2021	31st Mar 2022
Plant & Machinery / MFA		
Placement of orders	1st Jul 2021	31st Oct 2021
Delivery at Site	1st Oct 2021	31st Dec 2021
Erection, Installation & Commissioning of Plant	1st Oct 2021	15th Mar 2022
Approvals & Other Arrangements		
Arrangements of Water	Own Tubewell	
Arrangements of Power	Applied	31st Aug 2021
Trial Runs	15th Dec 2021	31st Dec 2021
Commercial Production	Jan 01, 2022	

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

a. strategic initiatives

b. brand building and strengthening of marketing activities; and

c. ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "*General Corporate Purposes*" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses*	**Estimated expenses(1) (in ₹ Lakhs)**	**As a % of the total estimated Issue expenses(1)**	**As a % of the total Gross Issue Proceeds(1)**
Fees payable to BRLM (including underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors to the Issue	[●]	[●]	[●]
Fees to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate[2]	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers [3]	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs [4]	[●]	[●]	[●]

Expenses*	Estimated expenses(1) (in ₹ Lakhs)	As a % of the total estimated Issue expenses(1)	As a % of the total Gross Issue Proceeds(1)
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them [5]	[●]	[●]	[●]
Others (bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

**As on the date of the DRHP, Our Company has incurred ₹ [●] lakhs towards Issue Expenses out of internal accruals as certified by [●]*

1. To be determined on finalization of the Issue Price and updated in the Prospectus prior to filing with the RoC.

2. Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs (for the bid cum application forms directly procured from investors), on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs [●]% ^ (exclusive of GST)

Portion of NIIs [●]% ^ (exclusive of GST)

^ Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of ₹ [●] (plus applicable GST) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

3. *Registered Brokers, will be entitled to a commission of ₹ [●] (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*

4. *SCSBs would be entitled to a processing fee of ₹ [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*

5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them.*

Bridge Financing

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance setting up of a manufacturing unit until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance setting up of a manufacturing unit will be repaid from the Net Proceeds of the Issue.

Interim Use of Funds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 1,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Further, in accordance with the Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

Variation in Objects

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

Other Confirmations

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

BASIS FOR ISSUE PRICE

The Price Band/Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections titled "Risk Factors", "Financial Information" and chapter titled "Our Business" beginning on pages 25, 165 and 116 respectively of this Draft Red Herring Prospectus, to have a more informed view before making an investment decision..

QUALITATIVE FACTORS

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

- Diverse product portfolio with focus on quality;
- Experienced management and dedicated employee base;
- Repeat Orders;
- Selling and Distribution network
- Diversified customer base across geographies and industries.

For further details, refer to heading "Our Competitive Strengths" under the chapter titled "Our Business" beginning on page 116 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial information of the Company for the period ended June 30, 2021 and for the Financial Year 2021, 2020 and 2019 prepared in accordance with Ind AS, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations For details, refer section titled "Financial Information" beginning on page 165 of the Draft Red Herring Prospectus.

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

1. **Basic and Diluted Earnings per Share ("EPS") at face value of Rs. 10 each, as adjusted for changes in capital:**

As per Restated Ind AS Financial Information:

Year/Period ended	Basic and diluted EPS (Rs.)	Weight
March 31, 2021	0.82	3
March 31, 2020	0.19	2
March 31, 2019	0.24	1
Weighted average	0.51	
June 30, 2021*	0.71	

**Not Annualised*

Note:-

1. *Basic Earnings per share = Net profit/ (loss) after tax for the year/period, as restated attributable to equity shareholders /Weighted average number of equity shares outstanding during the year/period.*
2. *Diluted Earnings per share = Net profit after tax for the year/period, as restated attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the year/period.*
3. *Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].*
4. *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year.*

5. *Earnings per share calculations are in accordance with the notified Indian Accounting Standard 33"Earnings per share"*

2. Price to Earnings (P/E) ratio in relation to Price Band of Rs. [●] to Rs. [●] per Equity Share of face value of Rs. 10 each fully paid up

Particulars	P/E Ratio on Floor Price	P/E on Cap Price
P/E ratio based on Basic EPS for FY 2020-2021	[●]	[●]
P/E ratio based on Diluted EPS for FY 2020-2021	[●]	[●]
Industry Peer Group P/E ratio		
Highest	48.09	
Lowest	8.20	
Average	22.47	

Note-The highest and lowest industry P/E has been considered from the industry peer set provided later in this chapter. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this chapter. For further details, see "– Comparison of Accounting Ratios with Listed Industry Companies" on Note 5 of this chapter.

3. Return on Net worth (RoNW)

As per Restated Ind AS Financial Information:

Year/Period ended	RoNW (%)	Weight
March 31, 2021	6.33%	3
March 31, 2020	1.54%	2
March 31, 2019	1.96%	1
June 30,2021*	5.25%	
Weighted average	4.01%	

**Not Annualised*

Notes:

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

4. Net Asset Value (NAV) per Equity Share of Face Value of Rs 10 each as per Restated Ind AS Financial Information:

Particulars	Rs. per Equity Share
Net Asset Value per Equity Share as on March 31, 2021	12.88
Net Asset Value per Equity Share as on June 30,2021	13.59
Net Asset Value per Equity Share after the Issue- At Floor Price	[●]
Net Asset Value per Equity Share after the Issue - At Cap Price	[●]
Issue Price per equity share	[●]

Notes:

1. *Issue Price per Equity Share will be determined on conclusion of the Book Building Process.*
2. *Net Asset Value Per Equity Share = Restated net worth, attributable to equity holders of the Company at the end of the year/period. / Number of equity shares outstanding as at the end of year/period.*
3. *Net worth is aggregate value of the paid-up share capital of the Company and other equity (excluding revaluation reserves, if any) if any, as per Restated Financial Information.*

5. Comparison of Accounting Ratios with Listed Industry Companies:

Name of the Company	CMP*	EPS (Basic (Rs.)	EPS (Diluted (Rs.)	P/E Ratio	RONW (%)	NAV (Rs.)	Face Value (Rs.)	Total Income (Rs. in Lakhs)
Sah Polymers Limited	[●]	0.82	0.82	[●]	6.33%	12.88	10.00	5,534.42
Peer Group**								
Kanpur Plastipack Ltd.	173.65	20.79	20.79	8.35	19.17%	110.02	10	45916.24
Rishi Techtex Ltd.	27.25	0.57	0.57	48.09	1.51%	37.98	10	8122.45
Gopala Polyplast Ltd.	509.65	62.17	62.17	8.20	241.86%	25.70	10	1611.47
Jumbo Bag Ltd.	15.00	0.38	0.38	39.91	1.02%	36.76	10	8483.36
SMVD Polypack Ltd.	13.85	0.98	0.98	14.17	2.21%	44.31	10	683.89
EMMBI Industries Limited	106.75	4.34	4.34	24.60	5.55%	7.64	10	3198.39
Commercial Syn Bags Limited	142.90	10.14	10.14	13.98	14.69%	66.60	10	21505.85

* Issue Price of our Company is considered as CMP.

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

Notes:

1. *Considering the nature, range of products/services, turnover and size of business of the Company, the peers are not strictly comparable. However, above Companies have been included for broad comparison.*
2. *The figures for Sah Polymers Limited are based on the restated financial information for the year ended March 31, 2021.*
3. *The figures for the peer group are for the year ended March 31, 2021 filed with both the stock exchanges on consolidated basis.*
4. *Current Market Price (CMP) is the closing price of the peer group scrip as on September 21, 2021 on BSE Ltd. and NSE ltd.*
5. *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and other equity (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company.*
6. *P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on May 27, 2021 sourced from website of Bombay Stock Exchange as divided by the Basic EPS.*
7. *RoNW is computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and other equity (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company.*
8. *Sah Polymers Limited is a Book Built Issue and price band for the same shall be published 2 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation.*
9. *The price band/floor price/Issue Price shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the equity shares by way of Book Building and is justified based on the above qualitative and quantitative parameters.*

For further details see section titled “Risk Factors” beginning on page 25 of this Draft Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Information” beginning on page 165 of this Draft Red Herring Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Sah Polymers Limited
E-260-261, Mewar Industrial Area,
Madri,
Udaipur-313003,
Rajasthan, India,

Dear Sirs,

Sub: Statement of possible Tax Benefits (the 'Statement') available to Sah Polymers Limited and its shareholders under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ('the Regulations') as amended.

We refer to the proposed initial public offer ("IPO") of Sah Polymers Limited ("the Company"). We enclose herewith the statement showing the current position of special tax benefits available to the Company and to its Shareholders as per the provisions of the Income-tax Act 1961 (as amended by Finance Act, 2021) ("the Act"), as applicable to the Assessment Year 2022-23 relevant to the Financial Year 2021-22 for inclusion in this Draft Red Herring Prospectus /Prospectus ("Offer Documents") for the proposed IPO. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act, 1961 ("Act"). Hence the ability of the Company or its Shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultant with respect to the specific tax implications arising out of their participation in the IPO. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement

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

• The Company or its Shareholders will continue to obtain these benefits in future;

• The conditions prescribed for availing the benefits have been/would be met;

• The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Offer Documents for the proposed IPO of equity shares which the Company intends to submit to the Emerge platform of the National Stock Exchange of India Limited, and other required regulators, if any, provided, that the below statement of limitation is included in the Offer Documents.

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above.

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 change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement. This statement has been prepared solely in connection with the proposed IPO of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).

M/s. Ajay Paliwal & Co.

Chartered Accountants
FRN: 12345C

Ajay Paliwal
Proprietor
M.No. 403290
Place: Udaipur
Date: September 16, 2021

Annexure -

The information provided below sets out the possible special tax benefits available to the Company and its Shareholders under Income Tax Act, 1961 and Income Tax Rules, 1962 presently in force in India.

A. Special tax benefits available to the Company:

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

B. Special tax benefits available to Shareholders of the Company:

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

Note:

1. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. The above statement of possible special tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

2. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

SECTION V – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section is derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the BRLM, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 25 and 164 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.

A Review of Global Economy

The outlook for the global economy has darkened. Global financing conditions have tightened, industrial production has moderated, trade tensions remain elevated and some large emerging market and developing economies have experienced significant financial market stress. Faced with these headwinds, the recovery in emerging market and developing economies has lost momentum. Downside risks have become more acute and include the possibility of disorderly financial market movements. More frequent severe weather events would raise possibility of large swings in international food prices, which could deepen poverty. In this difficult environment, it is of paramount importance for emerging market and developing economies to rebuild policy buffers while laying a stronger foundation for future growth by boosting human capital, promoting trade integration and addressing challenges associated with informality.

The COVID-19 pandemic has spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades.

The June 2020 Global Economic Prospects describes both the immediate and near-term outlook for the impact of the pandemic and the long-term damage it has dealt to prospects for growth. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights—the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkages.

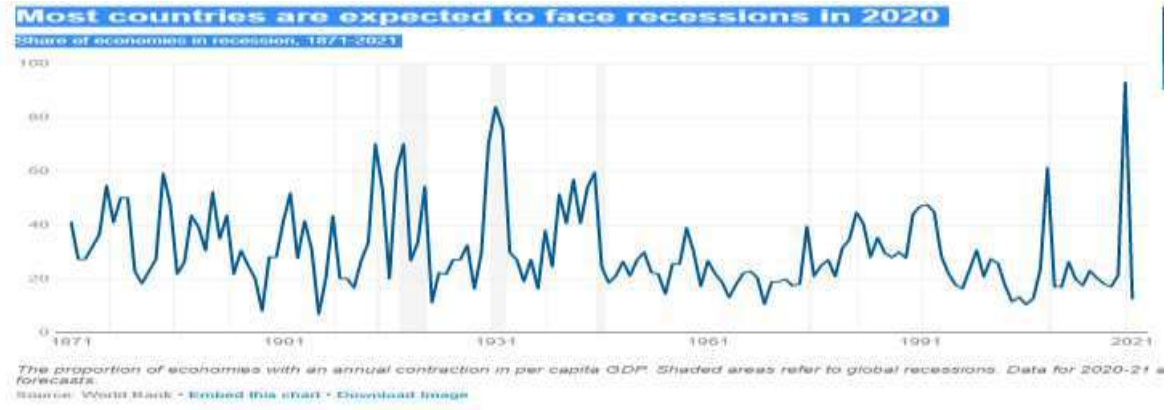
The crisis highlights the need for urgent action to cushion the pandemic's health and economic consequences, protect vulnerable populations, and set the stage for a lasting recovery. For emerging market and developing countries, many of which face daunting vulnerabilities, it is critical to strengthen public health systems, address the challenges posed by informality, and implement reforms that will support strong and sustainable growth once the health crisis abates.

Global economic growth exhibited signs of sluggishness in FY 20 driven by weakness in a few emerging economies resulting in slower global manufacturing and trade. The concerns around Brexit and the continuing trade war between United States and China provided additional stimulus to already dampening global Macro-economic conditions. The International Monetary Fund (IMF), in its World Economic Outlook, April 2020, calculated a global economic growth of 2.9% in CY2019, a significant fall from 3.6% in CY2018. Following the outbreak of COVID-19, global economy charted an unprecedented curve, multiplexed by uncertainties. Most of the economies across the world have been severely impacted due to restriction of movement, crippling trade, and businesses. While it is difficult to predict the course of the pandemic and its economic consequences, a recovery in medium term is likely to depend on emergency macro policy interventions by various countries and emergence

of a vaccine for COVID-19. Potential disruptions in developed economies with imposition of tariffs, embargoes, and other trade restrictions or controls and high volatility of commodity prices including oil and metals can further hamper the near-term outlook. IMF projects the global growth rate to shrink by 3% in CY2020. However, if the pandemic is contained by the second half of CY2020, it suggests the global economy will likely grow by 5.8% in CY2021, supported by fiscal and monetary measures

Historic contraction of per capita income

The pandemic is expected to plunge most countries into recession in 2020, with per capita income contracting in the largest fraction of countries globally since 1870. Advanced economies are projected to shrink 7 percent. That weakness will spill over to the outlook for emerging market and developing economies, who are forecast to contract by 2.5 percent as they cope with their own domestic outbreaks of the virus. This would represent the weakest showing by this group of economies in at least sixty years.



Every region is subject to substantial growth downgrades. East Asia and the Pacific will grow by a scant 0.5%. South Asia will contract by 2.7%, Sub-Saharan Africa by 2.8%, Middle East and North Africa by 4.2%, Europe and Central Asia by 4.7%, and Latin America by 7.2%. These downturns are expected to reverse years of progress toward development goals and tip tens of millions of people back into extreme poverty.

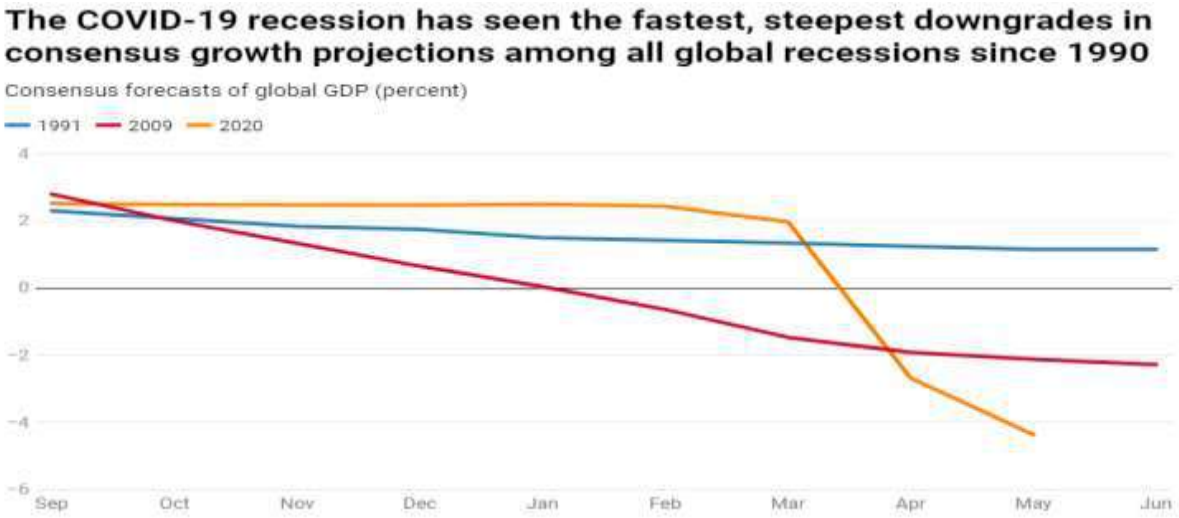
Emerging market and developing economies will be buffeted by economic headwinds from multiple quarters: pressure on weak health care systems, loss of trade and tourism, dwindling remittances, subdued capital flows, and tight financial conditions amid mounting debt. Exporters of energy or industrial commodities will be particularly hard hit. The pandemic and efforts to contain it have triggered an unprecedented collapse in oil demand and a crash in oil prices. Demand for metals and transport-related commodities such as rubber and platinum used for vehicle parts has also tumbled. While agriculture markets are well supplied globally, trade restrictions and supply chain disruptions could yet raise food security issues in some places.

Even this bleak outlook is subject to great uncertainty and significant downside risks. The forecast assumes that the pandemic recedes in such a way that domestic mitigation measures can be lifted by mid-year in advanced economies and later in developing countries, that adverse global spillovers ease during the second half of 2020, and that widespread financial crises are avoided. This scenario would envision global growth reviving, albeit modestly, to 4.2% in 2021.

However, this view may be optimistic. Should COVID-19 outbreaks persist, should restrictions on movement be extended or reintroduced, or should disruptions to economic activity be prolonged, the recession could be deeper. Businesses might find it hard to service debt, heightened risk aversion could lead to climbing borrowing costs, and bankruptcies and defaults could result in financial crises in many countries. Under this downside scenario, global growth could shrink by almost 8% in 2020.

Looking at the speed with which the crisis has overtaken the global economy may provide a clue to how deep the recession will be. The sharp pace of global growth forecast downgrades points to the possibility of yet further

downward revisions and the need for additional action by policymakers in coming months to support economic activity.



September to December shows forecasts made in the previous year, while January to June shows data for the current year. Data for 1991 are for advanced economies only due to data availability.

Source: Consensus Economics, World Bank

Gross Domestic Product (GDP) Growth

With the growth in the COVID-19 pandemic, the economic damage is already evident and represents the largest economic shock the world has experienced in decades.

The baseline forecast envisions a ~4.4% contraction in global GDP in 2020. Using market exchange rate weights this has been the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. The deep recession triggered by this pandemic is expected to have short-term repercussions like low investments with the erosion of human capital and fragmentation of the global trade linkages. However, the medium-long term health of the economy will be healthy, with the demand expected to soar back to its pre-COVID levels. This is expected to be driven by the increased government investments and incentive schemes

In order to address these issues, most of the large global economies have announced several stimulus packages to revive demand.

(Source:- https://www.worldbank.org/)

IMF World Economic Outlook, April 2020
World Bank
P = Projections

The year 2019 witnessed a moderate growth of 2.9% as compared to 3.6%, in 2018. It is further estimated to be revised down to -3% in 2020. This can be primarily attributed to factors such as global slowdown, rising trade barriers, oil price volatility and novel Covid-19 pandemic. Worldwide lockdown has been implemented to contain the spread along with adequate policy support. However, with supply chain disruption, the health crisis has created a severe impact on the economic activity. As a result, the advanced economies are estimated to register negative growth rate of -6.1% in 2020 as compared to 1.7% in 2019. The, Emerging Markets and Developing Economies (EMDEs) are projected to contract to -1.0% in 2020 owing to the health shock, tight global financial conditions and low commodity prices.

United States: The country's Gross Domestic Product grew by 2.3% in 2019 compared to 2.9% in 2018-19 as a result of decline in business investments and the ongoing trade war with China.

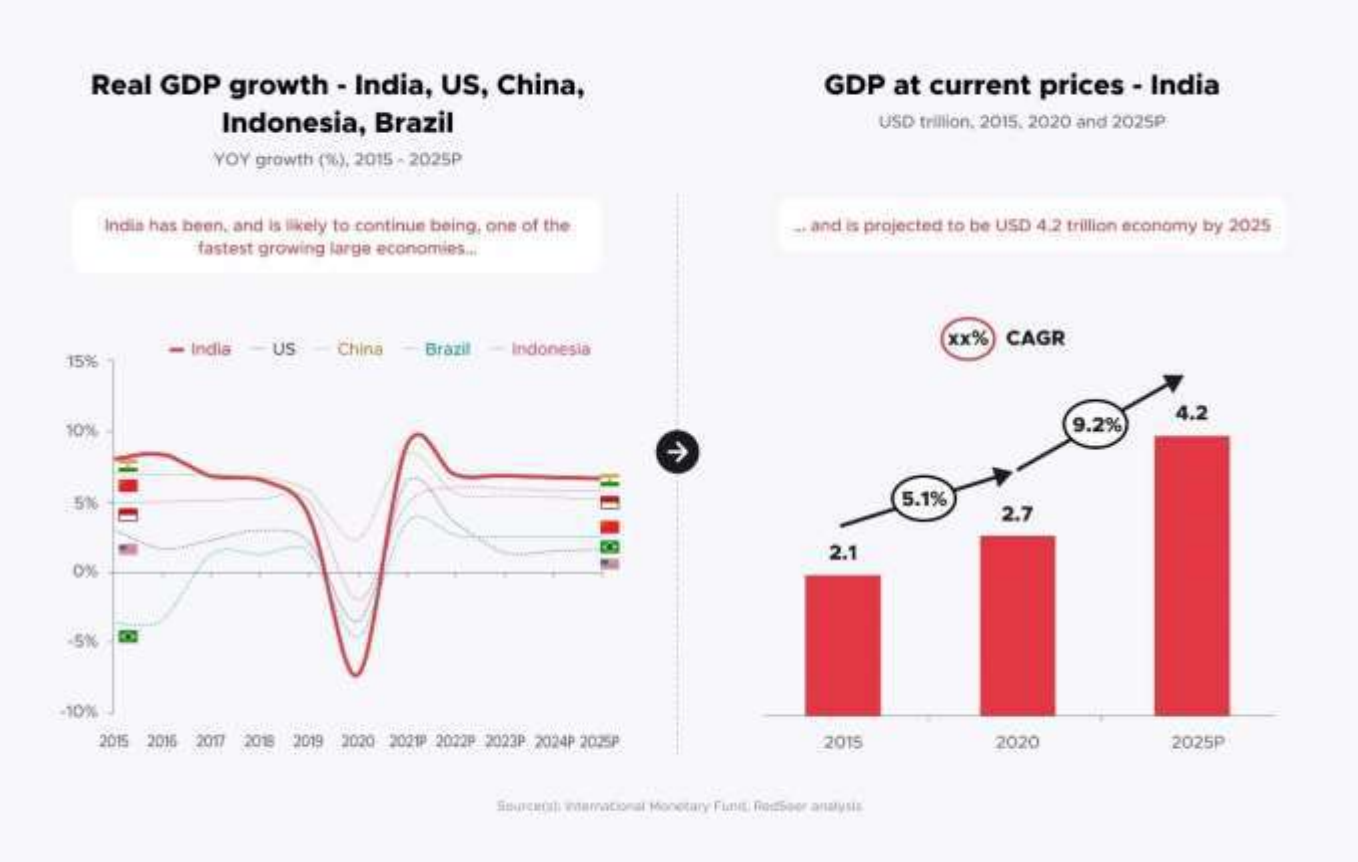
China: The country's Gross Domestic Product grew by 6.1% in 2019 compared to 6.7% in 2018 as a result of the trade war with the United States, overcapacity in some industries, corporate sector indebtedness and a shrinking room for monetary and fiscal policies.

United Kingdom: The country's Gross Domestic Product grew by 1.4% in 2019 compared to 1.3% in 2018.

Japan: The country's Gross Domestic Product grew by 2.0% in 2019 compared to 2.4% in 2018.

The Great Lockdown, as a result of the pandemic Covid-19, is projected to shrink the global growth significantly starting from the calendar year 2020.

(Source: International Monetary Fund),(Source: World Economic Outlook, April 2020, CNN, Economic Times, trading economics, Statista, CNBC)



Global growth over the years

Year	World output	Advanced economies	Developing and emerging
2015	3.5	2.3	4.3
2016	3.4	1.7	4.6
2017	3.9	2.5	4.8
2018	3.6	2.2	4.5
2019	2.9	1.7	3.7

Source: IMF

A Review of the Indian Economy

Macroeconomic Overview of India Gross Domestic Product (GDP) Growth and Outlook

An already-slowing Indian economy has been derailed from its growth track after a stringent shutdown was imposed in March to halt the spread of Covid-19. India's GDP is expected to contract by 10.3% in FY21 – for the first time in four decades. Due to Covid-19, the GDP of Q1 of FY21 GDP declined by 23.9% at INR 26,895 Cr as compared to INR 35,353 Cr for the same period last year (Q1 FY20). The Private Final Consumption declined by 24% in Q1 FY21 as compared to Q1 FY20 and the Gross Final Capital Formation reduced by 48% for the same tenure.

Real GDP Value, at constant price (INR 000'Bn) and Growth %, India, 2008 to 2025F

Strong Growth Path

The government has taken several measures to revive the economy and to return to a normal to high growth trajectory. As the monetary and fiscal stimuli work their way through, India can expect an economic turnaround soon. In addressing the current slowdown, India has several advantages and comforting factors including the following:

• Aatmanirbhar Bharat Abhiyan: Prime Minister Narendra Modi on May 12, 2020 announced the Aatmanirbhar Bharat Abhiyan which combined relief, policy reforms and fiscal and monetary measures to help businesses and individuals to cope with the situation created by the pandemic and helps transform India into a self-reliant economy.

• Preferred Destination for Foreign Investment: Lately, India has become an attractive destination for foreign investment owing to its large and rapid growing consumer market in addition to a developed commercial banking network, availability of skilled manpower and a package of fiscal incentives for foreign investors.

• Strong and Diversified Industrial and Infrastructural Base: India has established a strong and diversified manufacturing base for the production of a wide variety of basic and capital goods to meet the requirements of various sectors; and systematically rolled out a public-private partnership (PPP) programme for the delivery of high-priority public utilities and infrastructure.

• Burgeoning Foreign Exchange (Forex) Reserves: India's foreign exchange reserves (currently USD 500 Bn, the highest ever) provide confidence in the country's ability to manage the balance of payments.

• Demographic Dividend: Presently, India is one of the youngest nations in the world with more than 62% of its population in the working age group (15-59 years), and more than 54% of its total population below 25 years of age. Its population pyramid is expected to bulge around the 15-59 age groups over the next decade. This poses a formidable challenge as well as a huge opportunity.

The way forward is too uncertain and it is not possible to have a precise road map for the foreseeable future. However, given India's strong fundamentals and a clear roadmap to maintain the growth trajectory, the country will remain at the forefront of global economic growth.

INDIAN ECONOMY GROWTH RATE & STATISTICS

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

Indian Economy

The Indian economy has further been slowed down from its growth track on account of a stringent lockdown imposed in March to prevent the spread of the COVID-19 pandemic. India's GDP is expected to reduce by -4.5% in Fiscal 2020, for the first time in four decades. However, the medium term growth outlook is expected to improve and record a growth rate of approximately 7.3% by 2025 on account of strong macroeconomic fundamentals, including moderate inflation, the implementation of key structural reforms and the improved fiscal and monetary policies. Due to the COVID-19 pandemic, the GDP of the first quarter of Fiscal 2021 declined by 23.9% to ₹ 26,895 crores from ₹ 35,353 crores during the first quarter of Fiscal 2020. The private final consumption declined by 24% and gross final capital formation reduced by 48% from the first quarter of Fiscal 2020 to the first quarter of Fiscal 2021.

India's GDP registered the highest growth of 8% in FY 2015-16 when both the global growth and country specific growth parameters were in sync. Despite the consolidation, the economy was growing healthy in the following three fiscals with a growth of 6% to 7%, and was considered one of the fastest growing economies with China. However, FY 2019-20 manifested severe liquidity crunch, lower GST collections and a strain on fiscal deficit, followed by a continuous drop in consumption, investment and trade. Growth in all key sectors decelerated considerably. The Government tried to push growth through significant easing of monetary policy with repo rate cuts and extensive credit support to the Non-Banking Financial Companies (NBFCs) sector. The growth roadmap for next fiscals was also augmented by the amendment of Insolvency and Bankruptcy Code (IBC), the launch of the National Infrastructure Pipeline (NIP) with a budget of ` 102 Lakh Crores and the Union Budget 2020-21 with targeted allocations. However, the outbreak of COVID-19, the escalated healthcare costs and the loss incurred by the economy due to the nationwide lockdown hampered the chances of an economic recovery. GDP growth forecast has been lowered due to the uncertainty brought about by the sudden halt to all economic activities. A CRISIL report forecasted India's GDP growth to contract by 5% in FY 2020-21. The organization estimated a permanent loss of 10% of GDP in real terms and the impact is estimated to spread over next three years. IMF revised its forecast for India in its June WEO, and projected a negative growth of 4.5% for FY 2020-21. It, however, projects the Indian economy to grow by 6% in FY 2021-22 backed by Government's policy support.

Sources: IMF World Economic Outlook, April 2020, IMF World

World Bank

Economic Outlook, April 2020, http://www.mospi.gov.in/sites/

Default/files/press_release/PRESS20NOT20PE20and20

Q420estimates2020GDP.pdf, https://www.bbc.com/news/ world-asia-india-52559324

India emerged as the fifth-largest world economy in 2019 with a gross domestic product (GDP) of $2.94 trillion. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking.There was a decline in consumer spending that affected India's GDP growth during the year under review. India's growth for FY2019-20 was estimated at 4.2% compared with 6.1% in the previous year. Manufacturing growth was seen at 2%, a 15-year low as against 6.9% growth in FY19.

According to the IMF, India's GDP growth moderated to 4.2% for the financial year 2019-20 from 6.1% in 2018-19. Although, a sharp pickup in India's business activity in January 2020 indicated impetus returning to Asia's

third-largest economy. The forecast is tilted to the downside owing to global slowdown, stress in the financial sector, weak consumption, subdued manufacturing growth and nation-wide lockdown to tame Covid-19 outbreak.

On a positive note, the central bank has eased policy, while the Government has widened budget deficit goals to spur economic growth. In addition, the Government took various initiatives to encourage consumption. Likewise, the policy measures such as augmenting FDIs and competitiveness, promoting access to finance for small enterprises and improving infrastructure can result in productivity gains and boost growth.

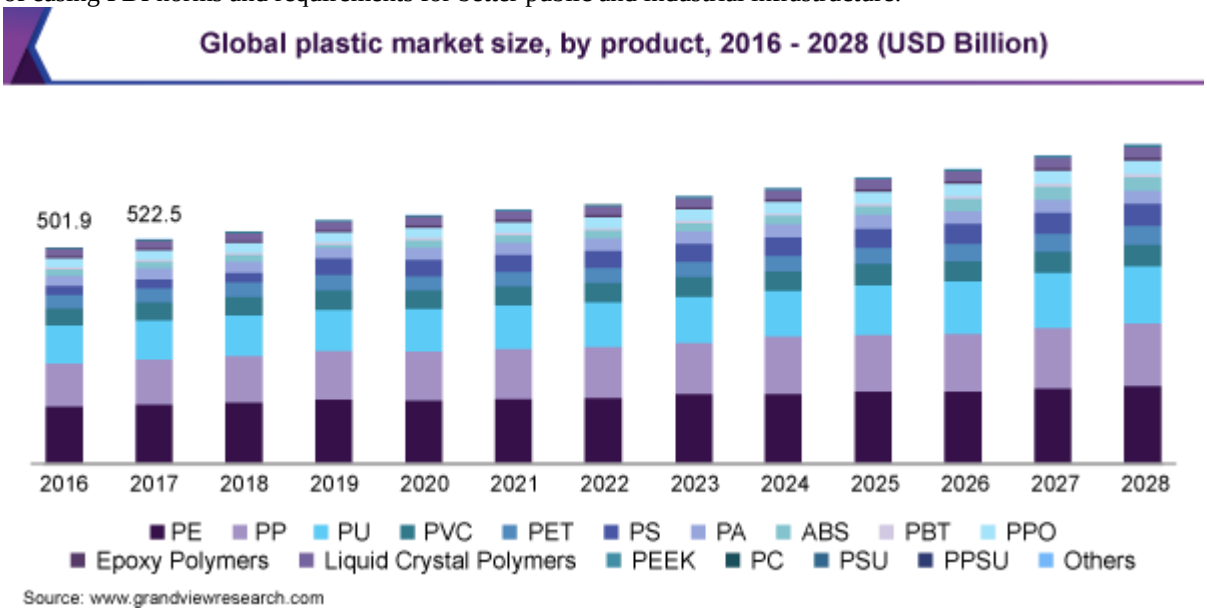
A Comprehensive Outlook

According to IMF, GDP growth will slip to 1.9% in 2020-21 before rebounding to 7.4% in 2021-22. The growth is projected to increase gradually as the pandemic fades reflecting a modest rebound in the domestic demand. Also, monetary and fiscal policy measures taken by the Government will begin to pay off gradually.

(Source : National Committee on Textile and Clothing)

GLOBAL PLASTIC INDUSTRY

The global plastic market size was valued at USD 579.7 billion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 3.4% from 2021 to 2028. Increasing plastic consumption in the construction, automotive, and electrical & electronics industries is projected to support market growth over the forecast period. Regulations on decreasing the gross vehicle weight to improve fuel efficiency and eventually
reduce carbon emissions are driving plastic consumption as a substitute for metals, including aluminum and steel, for the manufacturing of automotive components. The growth of the construction industry in emerging markets, such as Brazil, China, India, and Mexico, has been instrumental in fueling the demand for plastics. The growth of the market can be attributed to increased foreign investment in these domestic construction markets as a result of easing FDI norms and requirements for better public and industrial infrastructure.



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The growing population, coupled with the rapid urbanization and industrialization in emerging economies, has been impelling federal governments to increase their construction spending to cater to increasing infrastructure needs. Rising construction spending by governments, particularly in China and India, will drive the demand for plastic in infrastructure and construction applications.

Stringent regulations regarding depletion and recyclability of conventional materials, such as metal and wood, are anticipated to drive greater demand for plastic from the construction industries in insulation, pipes, cables, floorings, windows, storage tanks, and others. Polymer fittings are also generally quite simple and easy to install, compared to metals or wood, with a wide range of color combinations adding to their aesthetic appeal.

Plastics have 85% less specific gravity compared to metals. When used in the automotive and construction industries, they enable approximately 80% weight savings and 30% to 50% cost savings in individual components.
However, slowdown or halt in manufacturing activities to contain the spread of the coronavirus pandemic is negatively impacting the demand for plastic in various end-use industries, such as automotive, packaging, utility, and consumer goods. Moreover, the increasing positive cases of COVID-19 across the globe are positively influencing the demand for plastic in medical devices, such as testing equipment, ventilators, gloves, syringes, surgical trays, and medical bags.

Product Insights

In terms of revenue, polyethylene held the largest share of more than 25.0% in 2020. It is primarily used in the packaging sector, which includes containers and bottles, plastic bags, plastic films, and geomembranes. It finds use in various applications. Based on its molecular weight, there are different types of polymers of PE such as HDPE, LDPE, and LLDPE. For instance, low molecular weight polymers of PE find use in lubricants, medium molecular weight polymers are used as wax miscible with paraffin, and high molecular weight polymers are commonly used in the plastic industry.

Rising demand for packaged food, trays, bottles for milk and fruit juices, crates, caps for food packaging, drums, and other liquid food packaging owing to restrictions on the movement of people to reduce the spread of COVID-19 across the world is expected to drive the demand for polyethylene in the coming years. Acrylonitrile butadiene styrene (ABS) is one of the promising product segments in the market. ABS is widely used in consumer goods and electrical and electronics applications and is gaining popularity owing to its excellent rigidity, high strength, and dimensional stability.

It is a tough material and is resistant to corrosive chemicals, physical impact, and heat. Thermoplastics such as ABS liquefy allow them to be easily injection molded and recycled. However, ABS is not used in high-heat situations because of its low melting point. LEGO toys and computer keyboards are also significant applications for ABS compounds. ABS is also used in manufacturing drain-waste-vent pipe systems, plastic clarinets, golf club heads, musical instruments, enclosures for electrical and electronic assemblies, automotive trim components, and protective headgears among various others.

Report Coverage & Deliverables

PDF report & online dashboard will help you understand:

- Competitive benchmarking
- Historical data & forecasts
- Company revenue shares
- Regional opportunities
- Latest trends & dynamics

Application Insights

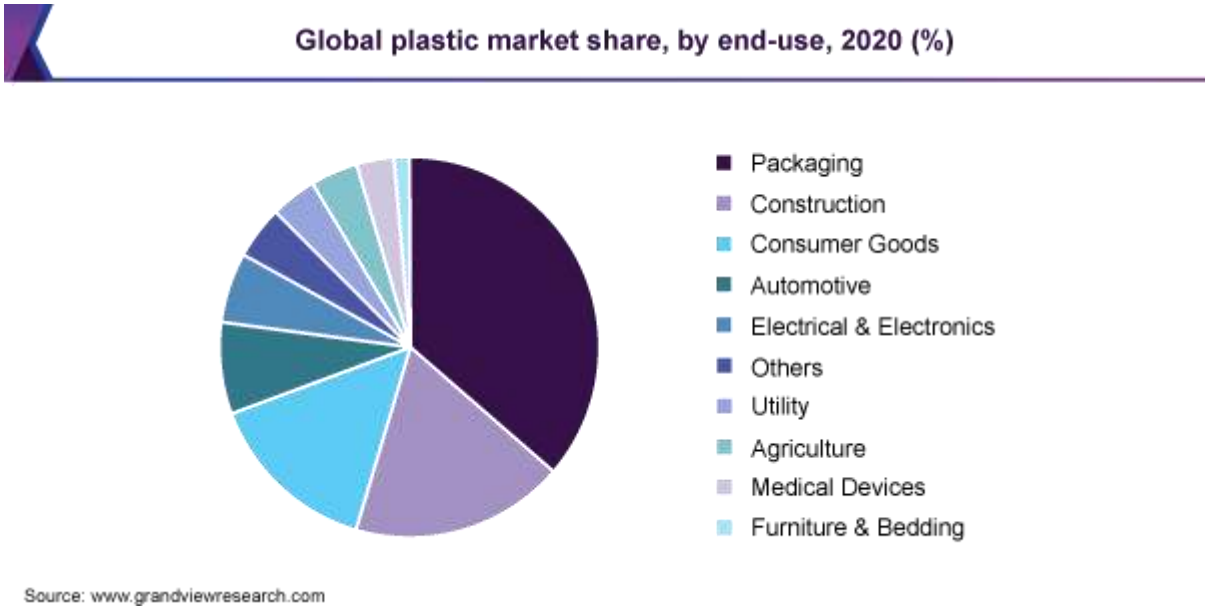
In terms of revenue, the injection molding application segment held the largest share of over 43.0% in 2020. Injection molding is a commonly used method for producing custom plastic parts. It is a discontinuous process as the plastic parts are produced in molds and required to be cooled before being removed. This process requires an injection molding machine, molds, and plastic materials. The molten plastic is injected into a mold cavity and then cooled to create the final product. It is generally used in the production of automobile parts, containers, and medical devices among others.

Calendering is one of the potential application segments in the market. It is used to process thermoplastic materials into films and sheeting. It is mainly used for PVC as well as certain other modified thermoplastics. The process consists of five steps, pre-blending, fluxing, calendering, cooling, and winding-up. It allows specialty surface treatments of films or sheets such as enhancing or embossing the physical properties or in-line lamination. The growing packaging industry is driving the demand for films and sheets, which, in turn, is further creating the demand for Calendering.

End-use Insights

The packaging end-use segment held the largest revenue share of more than 36.0% in 2020. Packaging is a high-potential end-use segment with moderate penetration. Plastics have been an integral part of the packaging industry. Furthermore, the advent of bio-based plastic has also played a significant role in food, pharmaceutical, and beverage packaging applications. Plastics such as Polyethylene Terephthalate (PET) and Polycarbonates (PC) are increasingly being used in the packaging of beverages, consumer goods, appliances, toys, and apparel. The packaging of appliances is expected to offer lucrative growth opportunities for the segment.

The impact of the COVID-19 pandemic on the packaging industry is expected to remain moderate over the forecast period. The demand for packaging for healthcare products, groceries, and e-commerce transportation has increased sharply, while the demand for luxury, industrial, and some B2B transport packaging declined due to the suspension or slowdown of industrial production.



Source: www.grandviewresearch.com

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Moreover, the demand for plastic in consumer packaging is expected to shift severely toward food packaging owing to the shutdown of restaurants and food service outlets during the pandemic. The stockpile and panic purchases of food, groceries, and other homecare necessities are further expected to boost the aforementioned trend.

Regional Insights

Asia Pacific (including China) dominated the market and accounted for over 44.0% share of the global revenue in 2020. The growing manufacturing sector is expected to propel the demand for plastic in the automotive, construction, packaging, and electrical and electronics industries. In the recent past, India and China have witnessed a spike in automotive production owing to technology transfer to the sector from the Western markets.

In addition, a well-established manufacturing base for electrical and electronics in Taiwan, China, and South Korea is anticipated to provide further impetus to the market. India has a strong chemical manufacturing industry base, which strengthens its plastic production. Rapid urbanization, improving economic conditions, and increasing infrastructural activities are the factors supporting the growth of the market in Asia Pacific.

China is the largest supplier and producer of plastic components in this region. The growth of the automotive and electronic market and subsequent demand for lightweight components to improve the efficiency of the vehicle and reduce the weight of electronics components are the major factors contributing to the demand for plastic in the country.

Key Companies & Market Share Insights

The competitive rivalry among producers is high owing to the presence of several players in the market. The global market is highly fragmented in nature with the presence of various key players as well as a few medium and small regional players operating in different parts of the world. Strategic partnerships, capacity expansions, and new product developments are popular strategies adopted by a majority of the players operating in the market for plastics. Some prominent players in the global plastic market include:

- BASF SE
- SABIC
- Dow Inc.
- DuPont de Nemours, Inc.
- Evonik Industries
- Sumitomo Chemical Co., Ltd.
- Arkema
- Celanese Corporation
- Eastman Chemical Company
- Chevron Phillips Chemical Co., LLC
- Lotte Chemical Corporation
- Exxon Mobil Corporation
- Formosa Plastic Corporation
- Covestro AG
- Toray Industries, Inc.
- Mitsui & Co. Plastic Ltd.

Plastic Market Report Scope

Report Attribute	Details
Market size value in 2021	USD 593.0 billion
Revenue forecast in 2028	USD 750.1 billion
Growth Rate	CAGR of 3.4% from 2021 to 2028 (Revenue-based)
Market demand in 2021	317,937.5 kilotons
Volume forecast in 2028	375,566.9 kilotons
Growth Rate	CAGR of 2.4% from 2021 to 2028 (Volume-based)
Base year for estimation	2020
Historical data	2016 - 2019
Forecast period	2021 - 2028
Quantitative units	Volume in kilotons, revenue in USD million/billion, and CAGR from 2021 to 2028
Report coverage	Volume forecast, revenue forecast, competitive landscape, growth factors and trends
Segments covered	Product, application, end-use, region
Regional scope	North America; Europe; China; Asia Pacific (excluding China); Central & South America; Middle East & Africa

Country scope	U.S.; Canada; Mexico; Germany; France; U.K.; Italy; Spain; Poland; India; Japan; Southeast Asia; Brazil; Argentina; Chile; Colombia; Other CSA; Saudi Arabia; United Arab Emirates (UAE); Oman; Kenya; South Africa
Key companies profiled	BASF SE; SABIC; Dow Inc.; DuPont de Nemours, Inc.; Evonik Industries; Sumitomo Chemical Co., Ltd.; Arkema; Celanese Corporation; Eastman Chemical Company; Chevron Phillips Chemical Co., LLC; Lotte Chemical Corporation; Exxon Mobil Corporation; Formosa Plastic Corporation; Covestro AG; Toray Industries, Inc.; Mitsui & Co. Plastic Ltd.
Customization scope	Free report customization (equivalent to up to 8 analysts working days) with purchase. Addition or alteration to country, regional & segment scope report, we will provide it to you as a part of customization
Pricing and purchase options	Avail customized purchase options to meet your exact research needs. Explore purchase options

Segments Covered in the Report

This report forecasts revenue and volume growth at the global, regional, and country levels and provides an analysis of the latest industry trends and opportunities in each of the sub-segments from 2016 to 2028. For the purpose of this study, Grand View Research has segmented the global plastic market report on the basis of product, application, end-use, and region:

- **Product Outlook (Volume, Kilotons; Revenue, USD Million, 2016 - 2028)**
  - Polyethylene (PE)
  - Polypropylene (PP)
  - Polyurethane (PU)
  - Polyvinyl chloride (PVC)
  - Polyethylene terephthalate (PET)
  - Polystyrene (PS)
  - Acrylonitrile butadiene styrene (ABS)
  - Polybutylene terephthalate (PBT)
  - Polyphenylene Oxide (PPO)
  - Epoxy Polymers
  - Liquid Crystal Polymers
  - Polyether ether ketone (PEEK)
  - Polycarbonate (PC)
  - Polyamide (PA)
  - Polysulfone (PSU)
  - Polyphenylsulfone (PPSU)
  - Others
- **Application Outlook (Volume, Kilotons; Revenue, USD Million, 2016 - 2028)**
  - Injection Molding

- Blow Molding
- Roto Molding
- Compression Molding
- Casting
- Thermoforming
- Extrusion
- Calendering
- Others

- **End-use Outlook (Volume, Kilotons; Revenue, USD Million, 2016 - 2028)**
  - Packaging
  - Construction
  - Electrical & Electronics
  - Automotive
  - Medical Devices
  - Agriculture
  - Furniture & Bedding
  - Consumer Goods
  - Utility
  - Others

- **Regional Outlook (Volume, Kilotons; Revenue, USD Million, 2016 - 2028)**
  - North America
    - U.S.
    - Canada
    - Mexico
  - Europe
    - Germany
    - France
    - U.K.
    - Italy
    - Poland
    - Spain
  - China
  - Asia Pacific (excluding China)
    - India

- Japan
- Southeast Asia

- Central & South America
  - Brazil
  - Argentina
  - Chile
  - Colombia
  - Other CSA (Costa Rica, Cuba, Peru)
- Middle East & Africa
  - Saudi Arabia
  - United Arab Emirates (UAE)
  - Oman
  - Kenya
  - South Africa

https://www.grandviewresearch.com/industry-analysis/global-plastics-market

INTRODUCTION TO PLASTIC INDUSTRY

The word plastic has originally been derived from the Greek word 'Plastikos' which means 'fit for moulding'. Now - a - days the use of plastic is so common that the current age can be called as Plastic age. Plastic have replaced a number of traditionally used materials like metals, ceramic etc. Recently, plastic has attained a great importance in every walk of our life, due to their certain unique properties.

Therefore, plastics are widely used in manufacturing a large variety of articles like bowls, polythene bags, buckets, pipes, wrappers, insulators and electronics etc. are basically dependent on plastics. Plastics are basically, synthetic organic materials of high molecular weight, which can be moulded into any desired shape by the application of heat and pressure in the presence of a catalyst.

The petrochemicals and plastics industry is composed of petroleum refineries and petrochemical plants which produce gasoline, chemical feedstock for finished products, and a variety of chemicals, products, and services for virtually every manufacturing industry in the world. In addition, the industry includes plastic resin manufacturers, which are closely tied to petrochemicals manufacturers, and plastics product manufacturers who utilize plastics to create common consumer products. Much of the plastics business lies in producing commodity plastics and chemical products which are shipped in pellet or liquid forms.

This industry group comprises establishments primarily engaged in manufacturing intermediate or final products from plastics resins, using such processes as compression moulding, extrusion moulding, injection moulding, blow moulding and casting. The production process in most of these industries is such that a wide variety of products can be produced. The plastics resins used by these establishments may be new or recycled.

(Source: Shodhganga: a reservoir of Indian theses - www.shodhganga.inflibnet.ac.in)

Indian Plastics Industry And Exports

Introduction

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90% of which are small and medium-sized enterprises.

In FY20, plastic and linoleum export from India stood at US$ 7.55 billion.

During April 2019 to January 2020, plastic export stood at US$ 7.045 billion with the highest contribution from plastic raw material at US$ 2.91 billion, plastic sheets, films, and plates at US$ 1.22 billion and packaging materials at US$ 722.47 million.

India exported plastics raw materials worth US$ 813 million in October 2020, and the export during April 2020 to October 2020 was US$ 5.58 billion.

India exported plastics worth US$ 237.16 million in January 2021, and the export during April 2020 to January 2021 was US$ 2.76 billion.

The total plastic and linoleum export during April 2020 to February 2021 was US$ 6.73 billion and for the month of February 2021, it was US$ 630.94 million.

The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.

The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.

Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

Recent Developments

The Department of Chemicals and Petrochemicals has approved 10 Plastic Parks in the country, out of which 6 parks have been given final approval in the below states:

Assam (1 nos.)

Madhya Pradesh (2 nos.)

Odisha (1 nos.)

Tamil Nadu (1 nos.)

Jharkhand (1 nos.)

The Detailed Project Reports are under evaluation for two Plastic Park in Uttarakhand and Chhattisgarh respectively and proposal for setting up of two new Plastic Parks are under process. These Plastic Parks will help to achieve environmentally sustainable growth and increase employment.

Plastics Export Promotion Council

The Plastics Export Promotion Council (PLEXCONCIL) is the apex Government body responsible for the promotion of plastic export. PLEXCONCIL members comprise large-/medium-/small-scale manufacturers and exporters. The council supports exporters by participating in international trade fairs, exploring new markets, organising buyer- seller meets both in India and overseas, and engaging in various other promotion and need-based activities.

(Source: Directorate General of Commercial Intelligence and Statistics Press Information Bureau.)

Indian Polymer Industry

Polymer composite is material of research in modern days. Thermoplastic polymers are of great interest due to their technical and commercial importance. In general two or more polymers are melt blended to form a product as polyblends [2-5]. The component percentages are the primary factor influencing their physical properties [6]. The manufacturing technique and operating conditions are second governing factor. Among the thermoplastic polymers; PP possess good mechanical strength. In addition it has high chemical resistance, low cost and easy to manufacture. PP has wide application in automobile spare parts and as well as container [7]. HDPE is known for its large strength to density ratio due to its little branching .HDPE unlike PP cannot withstand normally required autoclaving conditions [8-13].

Jia-Horny Lin et al. has reinforced HDPE to PP matrix and verified the non-compatibility of both polymers, but improves the impact strength of PP [14]. Souza et al. found the effect of processing temperature and content of HDPE on interfacial tension of the PP/HDPE polyblend [15]. Past studies show the compatibility of PP/HDPE polyblends depends on factors like processing temperature, polymer structure and blending ratios [15-17]. Polymers with similar physical properties form polyblends with greater mechanical strength [18-20]. The mechanical properties of the PP/HDPE polyblend decreases with increase in dissimilarity of melt flow index (MFI) [21]. During last decades polymeric containing materials attracted the attention of scientists for wide spread applications such as solar energy conversion, coatings, adhesives, lithography, light emitting diodes, sensors, laser development and many applications [22,23]. Thermoplastics are used in various electrical applications like wire and cable as insulation and jacketing materials due to their unique combination of properties such as low temperature flexibility, excellent insulating characteristics and resistance to moisture absorption [24]. Electrical properties of various polymer blends have been investigated by different researcher [25-31]. In general polymer blends are prepared by physical mixing of two or more polymers to obtain a new material with improved properties compared to the parent one. This is the most convenient method of obtaining a material rather than synthesizing a new polymer [32,33]. The electrical conductivity studies are aimed at understanding the origin of the charge carrying species and the way in which they move through the bulk of the material. Polymers with controlled conductivity and thermal sensitivity are much desirable in various applications [34-36]. Knowledge of electrical properties of polymer blends is helpful in material study and characterization for device fabrication. To develop a new electrical insulating material with good performance, it is important to do researches focusing on the effect of morphology on electrical properties. Polypropylene possesses good insulation performance because of its high crystallinity. However, since spherulite boundaries become weak points, the dielectric strength of polypropylene is not so much higher than high density polyethylene [37,38]. It is reported that by blending polyethylene with polypropylene, the dielectric strength can be increased because the spherulite boundaries are reinforced [39-41]. The mechanism of increase in dielectric strength by polymer blending is still not so clear. History reveals, the composites are mainly used for savings in secondary structures. The fibrereinforced polymer (FRP) materials find increasing applications as load bearing structures. But in the other hand, development of polymer materials for high technology engineering applications is in demand [42-44]. It is always a matter of concern, to evaluate the mechanical properties of polymer composites at high rates of strain. Premature failure at high loading rates alarms to design structures with high strength. The progress in research to find the mechanical strength of thermoplastic polymer blends are still lacks. With respect to above argument, a polymer blend of HDPE-PP has been developed to understand the strain rate effects on particularly to tensile properties. A detailed review of the strain rate dependence of mechanical properties of polymer composites has been outlined by Jacob et al. [45]. The study of different properties of polymer blends is a new approach [46]. These polymeric materials must perform at the imposed conditions. Blend of HDPE-PP has been prepared [47-49] and its mechanical, thermal, crystallization and electrical properties has been studied. An experimental approach using universal testing machine (UTM) was employed to study the effect of low strain rate loading on HDPE/saw dust composites [50]. In fibre reinforced polymer composites, the increment of filler may increase its tensile strength [51]. In general, the filler is incapable to endure the stress transmission efficiently and resulting low compression strength [52,53]. In a similar manner, Bia et al. [54] studied the tensile properties of rigid glass bead/HDPE composites at a strain rate of 3×10-5 - 8×10-3 s-1 and observed tensile modulus and strength increases with loading rate. Over the last two decades, the global production of synthetic polymers increasing. Polymers have low weight, durability and cheap relative to other materials [55-57]. So in the present work an attempt has been made to find out an alternative use of HDPE-PP polyblend by accessing the different physical and chemical properties. Additionally the design of experiments (DOE) is carried out to discover the influencing factor on tensile strength at break point.

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2Center for Dental and Oral Medicine Clinic for Fixed and Removable Prosthodontics and Dental Materials Science, University of Zurich, Switzerland.

3Department of Metallurgical and Materials Engineering, National Institute of Technology, Rourkela, India.

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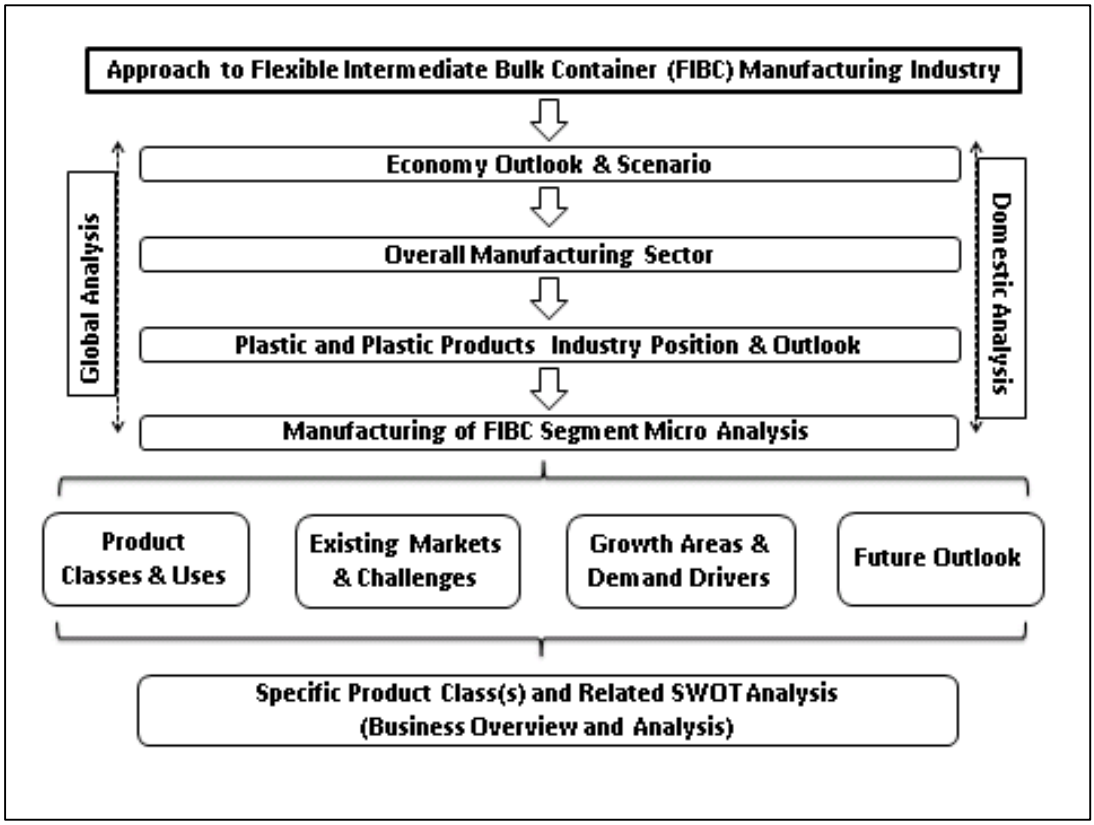
APPROACH TO INDUSTRY ANALYSIS

Analysis of Flexible Intermediate Bulk Container (FIBC) Manufacturing Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. FIBC manufacturing Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the FIBC manufacturing industry.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing sector is 'Plastic and Plastic Products Industry', which in turn encompasses various components one of them being 'FIBC Manufacturing Industry'.

Thus, FIBC manufacturing Industry should be analysed in the light of 'Plastic and Plastic Products Industry' at large. An appropriate view on FIBC manufacturing Industry, then, calls for the overall economy outlook, performance and expectations of Manufacturing Sector, position and outlook of Plastic and Plastic Products Industry and FIBC segment micro analysis.

(Source: Plastic Packaging – The Sustainable Choice Federation Of Indian Chambers of Commerce and Industry http://ficci.in/spdocument/20690/Plastic-packaging-report.pdf)I



This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Packaging Industry and / or any other industry, may entail legal consequences.

INDIAN PACKAGING INDUSTRY

Indian packaging industry is witnessing steep growth and is one of the strongest growing segments. According to the Indian Institute of Packaging (IIP), packaging consumption in India increased 200% in the past decade, from 4.3 kgs per person per annum (pppa) to 8.6 kgs pppa.

The industry is expected to reach US$ 204.81 billion by 2025 from US$ 50.5 billion in 2019 at 26.7% annually. The e-commerce segment of the packaging market was estimated at US$ 451.4 million in 2019 and is forecast to reach US$ 975.4 million by 2025 at 13.8% annually.

The packaging sector is categorised into two major segments (by type)—rigid and flexible packaging, with rigid packaging accounting for 64% market share. In terms of packaging materials, 55% of the sector is dominated by plastics, followed by paper & cardboard (20%) and glass (10%).

Food processing is the largest consumer of packaging at 45%, followed by pharmaceuticals (25%) and personal care products (10%). Increasing demand from these end-user segments is creating a huge potential for expansion.

Amid the pandemic, the demand for packaging for groceries, healthcare products and e-commerce transportation has increased exponentially; but, at the same, the demand for industrial, luxury and sections of B2B-transport packaging has declined. Some of the key end-user segments will witness mixed impact of the pandemic owing to a sharp increase in demand for some sub-segments and dip in others

https://www.ibef.org/blogs/indian-packaging-industry-riding-on-the-e-commerce-wave#:~:text=According%20to%20the%20Indian%20Institute,in%202019%20at%2026.7%25%20annually.

FLEXIBLE INTERMEDIATE BULK CONTAINER (FIBC) INDUSTRY

Market Analysis and Insights : Global Flexible Intermediate Bulk Container Market

The flexible intermediate bulk container market is expected to witness market growth at a rate of 5.97% in the forecast period of 2021 to 2028. Data Bridge Market Research report on flexible intermediate bulk container market provides analysis and insights regarding the various factors expected to be prevalent throughout the forecast period while providing their impacts on the market's growth. The expansion of food and pharmaceutical industries is escalating the growth of flexible intermediate bulk container market.

Flexible intermediate bulk containers refer to type of bulk transporting packaging method that are made up of flexible and foldable fabric materials woven together. These containers are highly utilized in transportation, storage and protection of dry products and contents. These containers are known to be light weight, recyclable and environment friendly. These products have the capability of being transported with the assistance of pallets fitted below them that makes them easier to lift and handle.

The rise in the need of reducing overall weight of bulk packaging, growing food and pharmaceutical industries across the globe and expansion of manufacturing and construction sectors especially in the developing regions are the major factors driving the flexible intermediate bulk container market. The use of flexible intermediate bulk containers (FIBCs) in several end-use industries such as food, chemical, pharmaceutical, building and construction, mining, manufacturing, agricultural and waste handling among others, expansion of pharmaceuticals industry leading to high demand for FIBC and inclination towards these containers as they can be stored in a small space by folding and pressing multiple FIBCs together accelerate the flexible intermediate bulk container market growth. The capacity of flexible woven typically polypropylene (PP) to hold 500 kg to 2,000 kg of weight, the utilization of these products to store dry and flowable products such as grains, seeds, salts, chemicals, sands, clays and cement among others and the usage of these products to manage finished granules and small-size materials, raw and semi-finished in industrial premises influence the flexible intermediate bulk container market. Additionally, several benefits such as low costs, low weights, and are easy to handle, wide use in food and beverages, pharmaceuticals, agricultural and chemical industries and the adoption rate in bulk packaging positively affect the flexible intermediate bulk container market. Furthermore, technological advancement in the packaging components, technologies and application extend profitable opportunities to the flexible intermediate bulk container market players in the forecast period of 2021 to 2028.

On the other hand, the installation of specified liners done in through sewing it inside the fabric of the containers is expected to obstruct the flexible intermediate bulk container market growth. The container only being capable of used for a single type of material is projected to challenge the flexible intermediate bulk container market in the forecast period of 2021 to 2028.

This flexible intermediate bulk container market report provides details of new recent developments, trade regulations, import export analysis, production analysis, value chain optimization, market share, impact of domestic and localized market players, analyses opportunities in terms of emerging revenue pockets, changes in market regulations, strategic market growth analysis, market size, category market growths, application niches and dominance, product approvals, product launches, geographical expansions, technological innovations in the market. To gain more info on flexible intermediate bulk container market contact Data Bridge Market Research for an Analyst Brief, our team will help you take an informed market decision to achieve market growth.

Flexible Intermediate Bulk Container Market Scope and Size

The flexible intermediate bulk container market is segmented on the basis of grade and end-user. The growth amongst the different segments helps you in attaining the knowledge related to the different growth factors expected to be prevalent throughout the market and formulate different strategies to help identify core application areas and the difference in your target markets.

On the basis of grade, the flexible intermediate bulk container market is segmented into type A, type B, type C, type D and food grade.

On the basis of end-user, the flexible intermediate bulk container market is segmented into pharmaceuticals, food, chemicals, construction, textiles, oil and glass and others.

Global Flexible Intermediate Bulk Container Market Country Level Analysis

The flexible intermediate bulk container market is analyzed and market size, volume information is provided by country, grade and end-user as referenced above.

The countries covered in the global flexible intermediate bulk container market report are the U.S., Canada and Mexico in North America, Germany, France, U.K., Netherlands, Switzerland, Belgium, Russia, Italy, Spain, Turkey, Rest of Europe in Europe, China, Japan, India, South Korea, Singapore, Malaysia, Australia, Thailand, Indonesia, Philippines, Rest of Asia-Pacific (APAC) in the Asia-Pacific (APAC), Saudi Arabia, U.A.E, Israel, Egypt, South Africa, Rest of Middle East and Africa (MEA) as a part of Middle East and Africa (MEA), Brazil, Argentina and Rest of South America as part of South America.

North America dominates the flexible intermediate bulk container market due to the growing pharmaceutical industry, high FIBC adoption by the large-scale chemical and manufacturing industries steady growth rates of food processing and agricultural markets in the region. Asia-Pacific is expected to witness significant CAGR during the forecast period of 2021 to 2028 because of the high agriculture production.

The country section of the report also provides individual market impacting factors and changes in regulation in the market domestically that impacts the current and future trends of the market. Data points such as consumption volumes, production sites and volumes, import export analysis, price trend analysis, cost of raw materials, down-stream and upstream value chain analysis are some of the major pointers used to forecast the market scenario for individual countries. Also, presence and availability of global brands and their challenges faced due to large or scarce competition from local and domestic brands, impact of domestic tariffs and trade routes are considered while providing forecast analysis of the country data.

Competitive Landscape and Flexible Intermediate Bulk Container Market Share Analysis

The flexible intermediate bulk container market competitive landscape provides details by competitor. Details included are company overview, company financials, revenue generated, market potential, investment in research and development, new market initiatives, global presence, production sites and facilities, production capacities, company strengths and weaknesses, product launch, product width and breadth, application dominance. The

above data points provided are only related to the companies' focus related to flexible intermediate bulk container market.

The major players covered in the flexible intermediate bulk container market report are Berry Global Inc., Yixing Changfeng Container Bag Co., Ltd., BAG Corp., minibulk, Shenzhen Riversky Packing Materials Co.,Ltd., Greif, AmeriGlobe L.L.C, Conitex Sonoco, LC Packaging, Plastipak Holdings, Inc., Yantai Haiwan Plastic Products Co., Ltd., RDA Bulk Packaging Ltd., FlexiTuff Ventures International Ltd., Flexpack FIBC, Mondi, ALPINE FIBC PVT.LTD., Century FIBC, Ganpati Plastfab Limited, Rishi FIBC Solutions PVT. Ltd among other domestic and global players. Market share data is available for global, North America, Europe, Asia-Pacific (APAC), Middle East and Africa (MEA) and South America separately. DBMR analysts understand competitive strengths and provide competitive analysis for each competitor separately.

Customization Available : Global Flexible Intermediate Bulk Container Market

Data Bridge Market Research is a leader in consulting and advanced formative research. We take pride in servicing our existing and new customers with data and analysis that match and suits their goal. The report can be customized to include production cost analysis, trade route analysis, price trend analysis of target brands understanding the market for additional countries (ask for the list of countries), import export and grey area results data, literature review, consumer analysis and product base analysis. Market analysis of target competitors can be analyzed from technology-based analysis to market portfolio strategies. We can add as many competitors that you require data about in the format and data style you are looking for. Our team of analysts can also provide you data in crude raw excel files pivot tables (Fact book) or can assist you in creating presentations from the data sets available in the report.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" on page 25 for a discussion of certain risks 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 ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year.

Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Financial Information for Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021 included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 164.

In this section, unless otherwise stated, references to "Company" or to "we", "us" and "our" refers to Sah Polymers Limited.

Overview

We are an ISO 9001:2015 certified company, primarily engaged in manufacturing, trading and exporting of Polypropylene (PP)/ High Density Polyethylene (HDPE) Woven Bags, BOPP Laminated Bags and Flexible Intermediate Bulk Containers (FIBCs), HDPE/PP woven fabrics/sacks of different weight and sizes printed in multi colours as per the requirements of the customers. We cater to cement, Fertilizers, textiles, Food Grains, chemical, industry. With an experience of more than three decades in the industry, our company supplies and exports bags to over 14 countries across the globe. We offer a diverse portfolio of customised bulk packaging solutions. We believe that our ability to meet standard quality, introduce designs to meet evolving customer preferences and have enabled us to establish in FIBC packaging industry.

Our company is also a Del Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited for polymer trading and is also operating as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their Polymer division. We are also engaged in providing job work services of manufacturing tape and fabric for other manufacturers and traders.

Domestically for sales of Fabric and Bags, we have presence in 8 states and internationally we supply products in over 14 countries viz. Africa (Ghana, Sudan, Algeria, Togo) Middle East (UAE, Palestine), Europe (Greece, France, Portugal, Italy, Poland), USA, Australia, Caribbean (Dominican Republic) based on sales made during FY 2021 and for three months ended June 30, 2021. For the three months ended June 30, 2021 and for Fiscals 2021, 2020 and 2019 our revenue from exports contributed 36.34%, 43.94%, 50.75% and 53.31%, respectively of our revenue from operations.

We have one manufacturing facility which is located at, Udaipur over 8000 sq. mt. area. Over the years, we have made investments in our manufacturing infrastructure to support our product portfolio requirements and reach. Our Company is promoted by SAT Industries Limited which is listed on BSE Ltd.

For the three months ended June 30,2021 and for Fiscals 2021, 2020 and 2019, our revenue from operations was Rs. 1391.49 lakhs , ₹ 5506.99 lakhs, 4910.07 lakhs and ₹ 4518.44 lakh, respectively, growing at a CAGR of 10.4% between Fiscal 2019 and Fiscal 2021. Our EBITDA three months ended June 30,2021 and for Fiscals 2021, 2020 and 2019 was ₹ 169.09 Lakhs , ₹ 302.28 Lakhs, ₹ 180.42 Lakhs and ₹207.64 Lakhs respectively, growing at a CAGR of 20.66% between Fiscal 2019 and Fiscal 2021, while our profit after tax for three months ended June 30,2021 and for Fiscals 2021, 2020 and 2019 was ₹ 111.2 Lakhs , ₹ 127.23 Lakhs, ₹ 29.68 Lakhs and ₹ 37.14 Lakhs respectively, growing at a CAGR of 85.09% between Fiscal 2019 and Fiscal 2021.

Impact of COVID-19 on our business operations

The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The demand

for our products is dependent on and directly affected by factors affecting industries where our products are supplied. During Lockdown the government through its various orders categorised Packaging material industry as essential industry hence they were exempted from lockdown. However our manufacturing operations were shut down for 14 days and we were not majorly impacted. We were allowed to resume operations subject to certain adjustments in working patterns and limited workforce. Despite the impact of the COVID-19 pandemic, our revenue from operations for the three months ended June 30,2021 and for Fiscals 2021 was Rs. 1391.49 lakhs and Rs. 5506.99 lakhs respectively. Further India is in stage of distribution of vaccines, we cannot predict the timelines as to when the vaccines shall reach at mass level. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations. It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations.

Our Strengths

We consider our business strengths to be the following:

1. Experienced Management Team and Dedicated employee base

We have an experienced management team with expertise in the FIBC and packaging industry. Our team has entrepreneurial and managerial experience in our industry which we believe facilitates effective operational coordination and execution of our business strategies. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and leverage customer relationships.

Our management team is led by Asad Daud, our Managing Director, and Hakim Sadiq Ali Tidiwala, Whole Time Director who has been associated with the company since more than a decade. Apart from our directors we have 96 employees as of June 30, 2021. We believe that the experience and relationships with various stakeholders that our management team has, have enabled us to extend our operating capabilities, continuously improve our processes and achieved our growth in our industry.

2. Diverse product portfolio with focus on quality

We have diversified product portfolio like FIBC (Flexible Intermediate Bulk Containers), Container bag, BOPP bags, PP woven Fabric & HDPE woven fabric, woven sacks, PP fabric, box bags, fabric rolls, bags for flexible packaging, etc. We engage in manufacturing of products based on the orders of our customers to meet our customer requirements. We believe that maintaining a variety in range of products in our business provides us with an opportunity to cater to diverse needs of different customer segment. Our Company believes in qualitative manufacturing and adheres to various qualitative standards. Our products undergo quality check at various levels of production to ensure that any quality defects or product errors are rectified on real time basis. We believe that focus on quality are the key strengths for our success over the years.

3. Repeat orders

We believe that meeting customer specific requirements and timely delivery of orders is one of the factor for growth. Our Company has made efforts to ensure customer satisfaction by taking steps for meeting customer specific requirements, timely delivery of orders to our customers as well as maintaining consistency in quality and this has yielded results in the form of repeat orders from our customers. The repeat orders reflect the confidence reposed in us by our customers. Steady repeat orders have led to steady growth in revenue to Rs. 5506.99 lakhs in FY 2021 from Rs. 4518.44 in fiscal 2019.

4. Diversified customer base across geographies and industries

Our Company has a diversified customer base across industries and geographies both at domestic and overseas. We follow to B2B customer segment catering the packaging requirements of Agro Pesticides Industries, Basic Drug Industries, Cement Industries, Chemical Industries, Fertilizer Industries, Food Products' Industries, Textile Industries, Further domestically we have our presence over 10 states and global presence in Africa, Latin America, Caribbean, Middle East, Europe, Australia, UK, USA in the last three financial years. Apart via direct sales we also sell our products through commission agents domestically and Overseas Representatives and Merchant Exporter globally. With such customer base across industries and at varied geographies reduces our dependence on any one industry or location and provides a natural hedge against market instability in a particular

industry or location. We believe that our qualitative products at competitive prices has allowed us to enhance our relationships with existing clients and to secure orders from new customer.

Our Strategies

Our business strategies include the following:

1. Expansion of our production capacity

We currently have one manufacturing facilities located at Udaipur, Rajasthan. We are in the preliminary stages of setting up new manufacturing facility for manufacturing of Flexible Intermediate Bulk Containers (FIBC) with an annual installed capacity of 3960 MT from the Net Proceeds, internal accruals, bank loan and unsecured loan. We have already procured a land at Udaipur, Rajasthan over 16,000 sq. mtr. located at Araji no. 1164-1166, Village Modi, Tehsil Vallabhnagar, Udaipur (Raj.)– 313602 for the proposed expansion. We believe our investment in infrastructure will enable us to cater to the growing demand from our customers, enhance our space optics product portfolio. This shall help us cater to expand our customer base and increase our revenue from operations. We believe with our knowledge and experience in our industry segment, we are well poised to leverage the opportunity this industry offers. We shall continue to strive to offer qualitative and diverse products to meet evolving preferences of customers.

2. Increase our customer base by exploring new markets

At present, we are making sales in 8 states in domestic markets and 14 countries in export market. We aim to focus on increasing our customer base by exploring domestic and international markets. There is tremendous demand of FIBC in the international market. Indian products are more cost competitive in the international market owing to its low cost of production and other advantages. The Company foresee a substantial market for its FIBC products in the international market. Packtech Industry (PI) comprising of High Density Polyethylene (HDPE), Low Density Polyethylene (LDPE) and polypropylene (pp) have highest usage in India due to rising demand from various segment of industry. The study analyses the issues pertaining to the growth of these three recyclable materials and their application across the different sectors of Indian manufacturing industry. We intend to capitalise on huge demand for Indian Packtech Industry (PI) and increase our presence. In this direction, we shall appoint dealers at strategic locations, create local presence and explore geographies where we can begin our international operations.

3. Continue to improve operating efficiencies through technology enhancements

We continue to further develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing and expanding our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control. We continue to focus on further strengthening our operational and fiscal controls.

4. Customer Satisfaction

We believe in providing customer satisfaction to our consumers and strives to maintain good relationship with the customers. Our Company's marketing team approaches existing customers for their feedback and based on their feedback any changes in the products if required are carried out. Our Company provides quality products and effective follow-ups with customers which ensure that the customers are satisfied with the product and do not have any complain. Our Company in return is rewarded by the customers with repeat orders.

5. Brand Image

We would continue to associate ourselves with quality customers and supply products to their utmost satisfaction. We are highly conscious about our brand image and intend to have our brand building exercise by providing quality products and services to the satisfaction of the customers.

Business Operations

Our Product Portfolio

A brief description of our key products are as follows:

Type of the Product	Our Major Varieties	Application
FIBC (Flexible intermediate bulk container)	Wide range of patterns.	End use in Construction Industry and Agriculture Industry
Container Bag	• Varies from 20ft to 40ft Designed as per customer need.	End use in bulk packaging industry as packaging material.
BOPP Bags	• Microns : range from 10 to 50 • Max Printing length: 35 cm to 120 cm and max width 25 cm to 120 cm • Printing size: 1200 mm x 1200 mm. and can be in 8 different colors. • MET BOPP, Glossy BOPP Electronic and Chemical engraving	End use in packaging industry
Woven sacks	• BOPP laminated bags • Box bags • Sand bags • Vale bags • Bale bags • Envelope bags • Woven sack with liner • Box bag with liner • Box bags with lamination	Pack cement, fertilizer, food grain & seeds, sugar oilseeds, chemicals, bale covers, geo – textile, salt, para dropping packaging etc.
PP Woven fabric Rolls	• Roll	• Packaging Industry

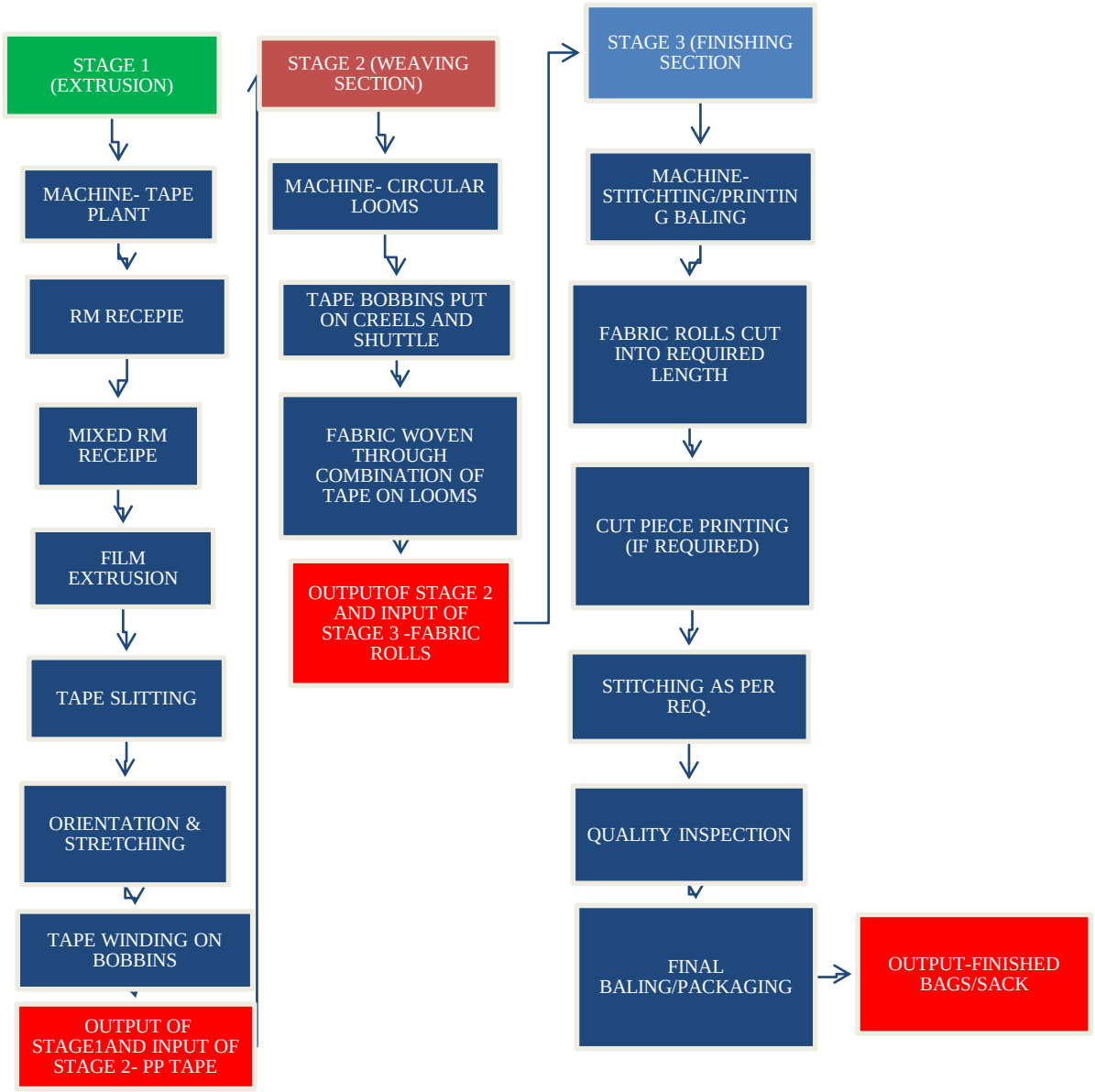
Note- We also sell woven Fabric, tape and wastage (generated at each stage are send for recycling or sold to other manufacturers)

Domestic and Export sales of our primary manufactured products

PERIOD OF REPORTING	Product	Domestic Sales	Export Sales	Total (lakh)
FY 2020-2021	Fabric	234.74	1059.65	4430.07
	Bag	1775.48	1360.20	
		2010.22	**2419.85**	
		45.38%	**54.62%**	
For The 3 Months Ended June 30, 2021	Fabric	58.79	161.15	**1272.44**
	Bag	708.03	344.47	
		766.82	**505.62**	
		60.26%	**39.74%**	

Note- Domestically, in Rajasthan we also sell wastage (which is generated at each manufacturing stage) and Tape amounting to RS. 74.41 lakhs in the FY 2021 and Rs. 12.08 lakhs for the 3 Months Ended June 30, 2021

Our manufacturing process



The manufacturing operations described through above diagram are explain as follows-

Step 1:- Tape Extrusion process

The first step involves extrusion, where a mix of virgin ingredients are melted and shaped into tapes of specific measurements. The ingredients used in this process include polypropylene (PP) granules, small amount of calcium carbonate, ultraviolet inhibitors and possibly color pigmentation. At this stage, the tensile durability of the tapes is determined. The tapes are loaded onto industrial bobbins in preparation for the weaving stage. The process of manufacturing PP woven bags involves mixing raw materials starting with PP or HDPE pellets and other additives, extruding the raw materials into a yarn PP resin is heated with feeler of CaCo3 and pigment, melted and extruded as a flat film. It is then slit into tape yarn by the slitting unit and stretched and annealed. Next, a take-up winder winds the heat oriented tape yarn onto a bobbin.

Step 2:- Weaving or Circular loom process

In this process, the tapes are pulled from bobbins with the help of weaving machine. The circular loom runs on a very high speed. The requirement of bobbins differ according to different shuttles and use of these shuttles depends on the type of fabric desired. These fabrics are in circular form and if required the fabric can be cut directly into sheet form by adding a blade at the end of machine from where the material is rolled on to the roller. The fabric is then rolled on a big roller and such rolled fabric can either be directly put on to the cutting machine or be laminated as per requirement of customer.

Step 3:- Lamination process

The main raw material required in this process is coating / lamination grade LDPE / LLPDE or PP. The fabric so produced can be laminated depending upon the requirement of customers. Our Company provides both, one side or two side lamination depending upon requirements of customers.

Step 4:- Cutting process

The fabric is cut according to the dimensions required by the customer. Cutting of fabric can be done at the time of rolling it on the roller or after lamination process. In this process the fabric in the rolled form is passed through cutting machine and measurements for cutting the roll or the sheets are inserted in the machine and the output is fabric sheets which can be used either in the printing process or directly in stitching process.

Step 5:- Printing process

Printing of graphics and its finishing makes the bag more attractive and demanding. Our Company has modern technology to print the graphics on the bags.

If the bag is in rolled form then printing can be done in the following manner:-

a. Fabric roll is first placed on one side and sent into machine
b. Requisite color and graphics are entered in to the machine
c. Printing is done on the roll and again on the other side it is wrapped in roll form.
d. Rolls are sent to next step i.e. stitching process after cutting them into desired lengths.

Step 6:- Webbing

Heavier polypropylene tapes along with multifilament thread are woven into webbing which forms the lift loops of the bulk bag. The handle pieces of bulk bags are made during this stage. Here, heavier tapes of polypropylene fabric are spun into webbing material. Strips of this material are then cut to precise measurements, which are determined by the size of the bags in production. These strips form the handles, or lifting loops, of each bag. On most bulk bags, the webbing strip lines the seams along each of the four sides, with handle loops above each end.

Step 7:- Stitching process

Under this process the bags which are in the form of sheet or rolled form are stitched from bottom, side ways and also if required loops are also attached which are normally referred as belts. These belts are made from special tapes. The belt is made with the help of needle loom, the fabric so processed is then used in the needle machine

and rolls of belts are formed. These belt roll is used in the process of stitching. Further filler cords or liner are also attached to FIBC, based on customer requirements.

Step 8:- Testing

Our Company focuses on quality and customer satisfaction to maintain long term relationship and to procure repeat orders. We have a testing department wherein the products undergo a check before the final dispatch. Further products are also checked at intermediate levels. The bags are inspected by a technically qualified person to ensure that it is safe to use. Once a line of bulk bags has been sewn together, each bag is inspected by quality control personnel. The purpose is to ensure each bag meets the required standards of strength and durability for a product line of bulk bags. If any bags are found to be insufficiently sewn, they are removed. Our Company take into consideration the standards laid down under the ISO certification. After the testing process the finished goods are sent to baling department.

Step 9:- Baling process

The baling of goods is done as per the specification of the customers. For baling of goods, our Company has hydrolic bail press machine of different capacities for packing small bags, FIBC etc. the process of which goes as follows:-

a. The finished products are loaded in the machine
b. Machine press the bags and squeeze it and it gets compressed
c. The pressed bags are then offloaded and sent for packing

Step 10:- Storage and Dispatch

After the quality of products is tested and the testing department gives a final go ahead, the products are then dispatched with the help of fork lifters to a clean storage room . These fork lifters lift the packed goods which are loaded in the container for final dispatch.

Our Manufacturing Facility and processing Unit

We currently have one Manufacturing Facility and one processing unit in Udaipur, Rajasthan which is located on over 8000 sq. mtr. and 5500 sq mtr. respectively. Our Manufacturing Facility is equipped with latest machineries and upgraded technologies relevant for the products manufactured by us. Our manufacturing Unit is ISO 9001:2015 certified. The location details of our manufacturing facility and processing unit is as under:

Address	Area (Sq. Mtr)	Leasehold/ Owned	Purpose
E-260-261, Mewar, Industrial Area, Madri, Udaipur (Raj.)-313003	8000	Leased from Rajasthan State Industrial Development & Investment Corporation Limited	Manufacturing facility and processing Unit
G-260, IID Center, Kaladwas, Udaipur ,Rajasthan 313003	5500	Leased from third party	

We further propose to set –up a new manufacturing facility at Udaipur, Rajasthan over 16,000 sq. mtr. located at Araji no. 1164-1166, Village Modi, Tehsil Vallabhnagar, Udaipur (Raj.)– 313602 for manufacturing Flexible Intermediate Bulk Containers (FIBC) with an annual installed capacity of 3960 MT. For further details, please refer the chapter titled “Objects of the Issue”, beginning on page 81 of Draft Red Herring Prospectus.

Capacity and Capacity Utilization

The details of the installed production capacity, actual production and capacity utilisation at our Unit for the period ended June 30, 2021 and for Fiscals 2021, 2020 and 2019 are set forth below:

Particulars		As of Financial Year ending March 31			As of 3 Months ending
	Units	2019	2020	2021	30.06.2021

A. Looms Production					
Installed Capacity	KGS	4123704	4123704	4429152	1107288
Actual Production	KGS	3362145.3	3815177.8	3304082.4	892964.2
Capacity Utilisation	%	81.53	92.52	74.60	80.64
B. Tape Plant					
Installed Capacity	KGS	4577760	4577760	4577760	1144440
Actual Production	KGS	3486215	3922077	3260479	947683
Capacity Utilisation	%	76.16	85.68	71.22	82.81

Note:-

- *Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant fiscal year/ period. In the case of capacity utilization for the three months ended June 30,2021, the capacity utilization has been calculated by dividing the actual production for the period by 25% of the annualized installed capacity.*
- *The above information is furnished on the basis of data provided and internal estimates and assumptions.*

The above information has been certified by Ajay Paliwal & Co.,,Chartered Accountants, by certificate dated September 16, 2021.

Procurement and Raw Materials

The main raw material used for production are, Polypropylene, Low Density Polyethylene, High Density Polyethylene, colour master batch, PP Resin, Anti fab /Calcium carbonate, UV stabilizers, Colour Master batch and pigments. These raw materials are available in sufficient quantity in India. The raw material is purchased in the Spot market. The material is on the basis of the rates offered by supplier .We also procure a significant proportion of fabric from regional suppliers. We believe our domain expertise and continued engagement with suppliers has enabled us to develop a healthy relationship with them.

Pricing

We determine the prices for our products based on various parameters, including market demand, transportation costs, raw materials costs, inventory levels and credit terms.

Utilities

We consume a substantial amount of power and fuel for our business operations. Our power requirements are met through state electricity boards. To meet exigencies in case of power failure, we have also installed two D.G. sets of 320 and 750 KVA at our Unit. We utilise ground water and water supply from local authorities to meet water requirements for our manufacturing process.

Customers, Sales and Marketing

As the manufacturer of industrial based product we cater to B2B segment. Our business operations and products primarily cater to the various customers based out of Cement, fertilizer Mines & Minerals and Textile industry. Our major customers are situated in the state of Rajasthan. We have primarily categorise our marketing and sales domain into domestic and export sales.

In Domestic market our company mainly caters to end user industry and traders and in export markets we deal with Traders segments. For domestics sales our company follows direct sales model and Commission Agent. For Export sales company we follow direct sales model and Commission Agent and merchant exports.

Our Company intend to focus on following marketing strategies:

- Introducing new range of products.
- Customer satisfaction
- Continuous follow-up with customers
- Develop new market and customers

We have in-house team of 4 employees as on June 30, 2021 which looks after the sales and marketing of our products. Our in-house team work closely with our existing and prospective customers to understand their technical needs and specifications, evolving preferences and meet their requirements.

Inventory Management

Our finished products and raw materials are mainly stored on-site at our manufacturing facility and processing unit in Udaipur. We produce quantity of finished products that is determined based on a combination of confirmed and expected orders.

Logistics

We transport raw materials and finished products primarily by road in case of our domestic operations. Our suppliers directly deliver raw materials to our manufacturing facility. We outsource the delivery of our products to either third-party logistics companies or as mutually decided between the dealer and Company. For our export operations, we primarily rely on sea-freight and carry such operations from Mundhra Port and Nhava Sheva Port (Jawaharlal nehru port).

Competition

We mainly compete with large organised companies and smaller regionally based competitors. Some of our competitors may have greater resources than those available to us. While product quality, timely delivery, etc. are key factors in customer decisions among competitors, however, price and quality are the deciding factor in most cases. Among listed companies of similar size and product portfolio, we face competition from listed companies like Kanpur Plastipack Ltd., Rishi Techtex Ltd., Gopala Polyplast Ltd., Jumbo Bag Ltd., SMVD Polypack Ltd., EMMBI Industries Ltd., Commercial Syn Bags Ltd.

Information Technology

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our manufacturing facility and office is connected to our central IT network that facilitates monitoring of our operations and management of supply chain. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and receivables from customers.

Repair and maintenance

We conduct regular repair and maintenance programs for our manufacturing facility and processing unit. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plants and machinery on an as-needed basis. In addition, our manufacturing facility is periodically inspected by our technicians.

Quality Control

We place significant emphasis on quality control. We inspect the raw materials we receive, work-in-progress and final products. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production to inventory storage. Our manufacturing facility has personnel responsible for monitoring the parameters of equipment, technical parameters of materials, reporting any irregularities in the manufacturing process and making adjustments accordingly.

Environment, Health & Safety

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see "Key Industry Regulations and Policies" beginning on page 127. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see "Government and Other Statutory Approvals" beginning on page 191.

Insurance

Our operations are subject to various risks inherent in the FIBC manufacturing industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events, including: (i) Standard fire & special perils policy (ii) Marine cargo open policy, and (iii) Money insurance policy (iv) Burglary Policy (v) Marine open Inland policy, (vi) Marine open Export Policy. These insurance policies are renewed periodically to ensure that the coverage is adequate. Our insurance covers our manufacturing facility and processing Unit.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. *See "Risk Factors– Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss." on page 25*

Intellectual Property

We have applied for our brand logo under class 16 of the Trademarks Act. As on the date of DRHP, our Company has 1 Trademark registered in its name.

We have also registered the domain name www.sahpolymers.com in India.

Employees

We have developed a pool of skilled and experienced personnel. As of June 30, 2021, we had an employee base of 98 employees including our Executive directors. The following table sets forth a breakdown of our employees by function as of June 30, 2021:

Function	Number of Employees
Sales & marketing	4
Production	60
Quality Control, Billing, purchase & store, Maintenance	14
Management & Finance	7
Security and Administration	4
IT	1
Other workers	8
Total	**98**

Collaboration

As on date of this Draft Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements.

Properties

Our registered office and manufacturing Unit is on lease and is located at E-260-261, Mewar, Industrial Area, Madri, Udaipur (Raj.)-313003. As on the date of this Draft Red Herring Prospectus, we operate one registered office/manufacturing facility and one processing unit in G-260, IID Center, Kaladwas, Udaipur ,Rajasthan 313003 which are situated on land leased by us from third party.

Further we have purchased a land at Udaipur where we propose to set –up a new manufacturing facility at Udaipur, Rajasthan over 16,000 sq. mtr. located at Araji no. 1164-1166, Village Modi, Tehsil Vallabhnagar, Udaipur (Raj.)– 313602 for manufacturing Flexible Intermediate Bulk Containers (FIBC): with an annual installed capacity of 3960 MT. For further details, please refer the chapter titled "Objects of the Issue", beginning on page 81 of Draft Red Herring Prospectus.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye–laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of integrated facilities management services industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, 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. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "Government and Other Statutory Approvals" beginning on page number 191 of this Draft Red Herring Prospectus

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

Rajasthan Industrial Development Policy 2019

The Rajasthan Industrial Development Policy, 2019 has been prepared with a view to promoting inclusive, balanced, sustainable and eco-friendly industrial development, creating infrastructure and employment opportunities, promoting balanced regional industrial development to emerge Rajasthan as the most preferred investment destination with a robust eco-system.

Its missions are to develop and maintain industrial infrastructure, to offer competitive fiscal incentives, maximize potential of human capital of the State, special focus on 'Backward' and 'Most Backward' areas, to foster entrepreneurship and innovation, to promote industrial symbiosis and environmentally sustainable industrial development, to support technological upgradation of industry, to rationalize regulations and inspections, etc.

An autonomous body of exporters, Rajasthan Export Promotion Council (REPC), shall be constituted to create mechanism of facilitation across all sectors for providing policy and regulatory inputs, issues and challenges in exports and probable solutions.

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

The Rajasthan Weights and Measures (Enforcement) Act, 1958

The Rajasthan Weights and Measures (Enforcement) Act, 1958 was introduced to provide for the enforcement of standard weights and measures and for matters connected therewith. The Act applies to the whole of the State of Rajasthan. In exercise of the powers conferred by Section 42 of the The Rajasthan Weights and Measures (Enforcement) Act, 1958, the State Government introduced the Rajasthan Weights and Measures (Enforcement) Rules, 1959 which defines the secondary standards, working standards, inspection and verification of weights, etc.

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated 01st June, 2020 revising definition and criterion and the same has come into effect from 01st July, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

The Rajasthan Micro, Small & Medium Enterprise (Facilitation of Establishment and Operation) Act, 2019

The Rajasthan Micro, Small & Medium Enterprise (Facilitation of Establishment and Operation) Act, 2019 was enacted to provide exemption from certain approvals and inspections for establishment and operation of the micro, small and medium enterprises in Rajasthan and matters connected therewith or incidental thereto. The Act was enacted to promote inclusive economic growth and employment generation in the State and to address the specific needs of the MSME enterprises and promote entrepreneurship. The Act provides for exemptions to MSMEs to seek approvals under certain specific acts subject to the provisions of the Central Act. The Act applies to new MSME enterprises whose date of commencement of commercial operations is proposed on or after the date of promulgation of the Act i.e. March 04, 2019 and it also includes an enterprise set up or proposed to be set up by an existing enterprise for manufacturing products or providing services at a location which is separately identifiable and different from the location of the existing enterprise. On filing the Declaration of Intent and on being satisfied the Competent Authority issues the Acknowledgement certificate which is valid for a period of three years from the date of issuance of the certificate and after the expiry of the period the enterprise shall have to obtain required approvals within six months from the date of such expiry.

Bureau of Indian Standards Act, 2016 (the "BIS Act")

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

ANTI-TRUST LAWS

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

The Code on Wages, 2019

The Code on Wages, 2019 (The "Code") seeks to amend, consolidate and regulate the laws relating to wage and bonus payments in all employments and matters connected therewith or incidental thereto and aims at providing equal remuneration to employees performing work of a similar nature in every industry, trade, business or manufacture. The Code received the assent of the Lok Sabha on July 30, 2019 and of the Rajya Sabha on August 2, 2019. Subsequently, the Code received presidential assent on 8th August 2019, and was notified by the Ministry of Law and Justice, Government of India on the same date. The Code subsumes and repeals the provisions of four statutes -- the Payment of Wages Act, 1936 which ensures that payment of wages to employees are disbursed on time and no undue deductions are made, the Minimum Wages Act, 1948 which enables fixing of minimum rates of wages in certain employments, the Payment of Bonus Act, 1965 which provides for payment of bonus to persons employed in certain establishments on the basis of profit or productivity, and the Equal Remuneration Act, 1976 which aims to mandate equal remuneration to prevent gender discrimination in employment matters. Further, the Ministry of Labour and Employment has also notified the Draft Code on Wages (Central) Rules, 2020 under the Code.

The Code on Wages shall come into force on such date as may be prescribed by the Central Government by way of a notification of the Official Gazette. The Code in its entirety is yet to be notified ; however, certain provisions pertaining to the composition and duties of the Central Advisory Board as encompassed in Section 42, Section

67 and Section 69 of the Code have been brought into force by the Ministry of Labour and Employment vide Notification dated December 18, 2020.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to 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 Rajasthan Contract Labour (Regulation and Abolition) Rules, 1971 has been enacted to regulate the employment of contract labour and its abolition in certain circumstances in Rajasthan. It is applicable to every establishment in Rajasthan in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The Rules regulate the composition of a Board and setting up of Committees of the Board. It imposes obligation on the contractor in relation to establishment of canteens, rest rooms, drinking water, first aid boxes, payment of wages, etc.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees Provident Fund Scheme, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 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.

The Employees Compensation Act, 1923

The Employees Compensation Act, 1923 ("EC Act") (and the amendments thereof) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death\ serious bodily injury.

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.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 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. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

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.

The Maternity Benefit (Amendment) Act, 2017 effective from 01st April, 2017 increased the maternity leave available to working women to 26 weeks with two surviving children and 12 weeks in case of more than two children. The Act also mandates crèches in offices with 50 or more employees and also facilitates work from home facilities.

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.

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.

The Industrial Disputes (Rajasthan Amendment) Act, 2014 of the Rajasthan State Legislature received the assent of the President on the 30th Day of October, 2014. The Act was implemented to further amend the Industrial Disputes Act, 1947 in its application to the State of Rajasthan.

The Rajasthan Industrial Disputes Rules, 1958

The Rules came into force on 01st July, 1960 which regulate the investigation and settlement of industrial disputes in Rajasthan. The dispute is to be referred to the Secretary to the Government of Rajasthan Labour Department, Jaipur in a duly filled application form. The Rules also provide for appointment of Board, conciliation proceedings in public and non public utility service, fees and expenses, etc.

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.

TAX RELATED LEGISLATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company. The levy is governed by the Income Tax Act, 1961. The Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public.

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 centre 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.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs for those persons who are engaged in the supply of goods and services would be exempt from tax. The basic limit of exemption is increased to Rs. 40 lakhs for certain categories of persons vide notification dated 07th March, 2019. The new exemption from registration of Rs. 40 lakhs is applicable only for those taxable persons who are engaged in exclusive supply of goods w.e.f. 01st April, 2019. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 1.5 crores (75 lakhs in case of special category states) may opt for composition levy from 01st April, 2019. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

Customs Act, 1962 (the "Customs Act")

The Customs Act governs among other things, the import and export of goods, determination of rate of duty, tariff valuation, the manner of payment to authorities, and loading and unloading of goods. The Customs Act also provides for levy of penalty and/or confiscation of prohibited or dutiable goods. The duties imposed on the import and export of goods are subject to rates specified under the Customs Tariff Act, 1975. Further, pursuant to the Customs Act, the Department of Customs appoints ports or airports as customs ports or customs airports and places as Inland Container Depots (ICDs).

OTHER LAWS

The Factories Act, 1948

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on

any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories. The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions.

Rajasthan Factories Rules, 1951

These Rules regulate the registration and grant or renewal of licenses to the factories set up in the State of Rajasthan (including Abu, Ajmer and Sunel Area). The rules state that an occupier shall not use any premises as a factory or carry on any manufacturing process in a factory unless a license has been issued in respect of such premises and is in force for the time being. The Rules also provide for health and safety measures, health of workers, working hours, compensation, leaves, establishment of a Safety Committee in every factory wherein more than 50 workers are ordinarily employed and which carry on operations declared to be dangerous under section 87 of the Factories Act, 1948.

Rajasthan Control of Industrial Major Accident Hazards Rules, 1991

The Rules regulate the major accidents involving loss of life inside or outside the site, or 10 or more injuries inside and/or one or more injuries outside or release of toxic chemicals or explosion or fire or spillage of hazardous chemicals resulting in on-site or off-site emergencies or damage to equipment leading to stoppage of process or adverse effects to the environment. These rules are supplementary to already notified Factories Act, 1948.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986

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

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

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

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

Air (Prevention and Control of Pollution) Act, 1981

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

Water (Prevention and Control of Pollution) Act, 1974

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

The Water (Prevention And Control Of Pollution) Cess Act, 1977 ("Water Pollution Cess Act")

The Water Pollution Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries to augment the resources of the central pollution control board and state pollution control boards. The Water Pollution Cess Act also provides for a rebate to the extent of 25% of the cess payable, in favour of persons who, being liable to cess under the Water Pollution Cess Act, install any plant for the treatment of sewage or effluents. However, this rebate is not applicable to persons consuming water in excess of the maximum prescribed quantity or who fail to comply with the provisions of section 25 of the Water Act or who fail to adhere to standards laid down by the Central Government under the Environment Act.

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000

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.

Trade Marks Act, 1999

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

Designs Act, 2000

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade ("DGFT") for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall

vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999 and regulations thereunder

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

As laid down by the FEM 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, 2017 ("FEM Regulations") 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 for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. The RBI, in exercise of its power under FEMA, has notified the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 which deals with exports, the declaration to be filed, the realization of export value, etc. The RBI amended these Regulations by introducing the Foreign Exchange Management (Export of Goods and Services) (Amendment) Regulations, 2021 (the "Amendment Regulations") through a notification dated January 08th, 2021 to introduce certain exemptions related to the aviation sector through the Amendment Regulations. In exercise of the powers conferred by section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and consequent to the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, the Reserve Bank has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instrument) Regulations, 2019 ("Principle Regulations") relating to mode of payment and reporting requirements for investment in India by a person resident outside India. The RBI has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2020 whereby amendment has been made to Regulation 3.1 of the Principle Regulations which deals with the Mode of Payment and Remittance of sale proceeds in which Schedule II and Schedule VII was substituted. The RBI, also notified the Foreign Exchange Management (Foreign currency accounts by a person resident in India) Regulations, 2015 to regulate opening and maintenance of foreign currency accounts in and outside India by a person resident in India. The RBI passed a notification dated February 27th, 2019 amending the regulations by passing the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2019 amending regulation applicable to authorized dealers.

The Foreign Direct Investment

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade ("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.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

CORPORATE PROFILE & BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as "Peacock Continental Limited" at Udaipur Rajasthan, as a Public Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated April 20, 1992 issued by the Registrar of Companies, Jaipur Rajasthan bearing number 17-06697 of 1992-93. The name of our company was changed to "Sah Polymers Limited" to align with and reflect the objects pursued by the company. Consequent upon change of name a fresh Certificate of Incorporation dated July 24, 1998 was issued by Registrar of Companies, Jaipur Rajasthan. The Corporate Identification Number of our company is U24201RJ1992PLC006657.

Daud Ali Dawood, Hatim Ali Dawood, Shabbir Hussain Dawood, Mohammad Hussain Dawood, Rashida Daud, Zuheda daud, Batool Daud are the initial subscribers to the Memorandum of Association. SAT Industries Limited is the promoter and holding Company of our Company. For further information, please refer to the chapter titled "***Capital Structure***" beginning on Page 64 of this Draft Red Herring Prospectus.

For information on our Company's profile, activities, market, service, etc., market of each segment, capacity built-up, standing of our Company in comparison with competitors, with reference to its services, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled *"**Our Business**", "**Our Industry**", "**Financial Statements as Restated**", "**Management's Discussion and Analysis of Financial Condition and Results of Operation**", "**Government and Other Statutory Approvals**"* beginning on pages 116, 97, 164, 167 and191 respectively of this Draft Red Herring Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at E-260-261 Mewar Industrial Area, Madri, Udaipur Rajasthan 313003.The details of the changes in the Registered Office of our Company are set forth below:

From	To	Effective Date	Reasons
74 Polo Ground, Udaipur-313001	5/1, Old Fatehpura, Udaipur-313001,Rajasthan	01.05.1997	For ease of operations of the Company.
5/1, Old Fatehpura, Udaipur-313001, Rajasthan	E-260-261 Mewar Industrial Area Madri Udaipur - 313003, Rajasthan	27.07.1998	For ease of operations of the Company.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Events
1992	'Peacock Continental Limited" started its journey to manufacture plastic goods as per the Object clause of MOA.
1998	Takeover of Assets, rights, comprising of land, building , plant and machinery etc. on going concern basis from Peacock Industries Limited pursuant to business Purchase agreement dated 23rd July 1998.
	Transfer of erstwhile lease agreement of E-260-261 Mewar Industrial Area Madri Udaipur -313003, Rajasthan, with Rajasthan State Industrial Development & Investment Corporation Ltd. from Peacock Industries Limited to Sah Polymers Ltd.
2015	SAT industries Limited, listed on BSE Ltd. acquired 85,21,430 shares representing 54.63% of shareholding of our company from the shareholders viz. Lion Houseware Private Limited, Park Continental Limited and Sat Invest Pvt. Ltd. Thereafter Sat Industries Limited has been identified as a promoter of our Company in certain Public filings our Company in the past.
	Our Company exported to Poland amounting to Rs. 3,38,49,314.18 to 7.96% of total turnover of about Rs. 42,54,92,555.87

Year	Events
2019	Amalgamation of our wholly owned subsidiary, Sat E-Com Limited (SEL) with our Company under section 233 of the Companies Act, 2013, by order number (02)/2020-21/753 dated 21/08/2020. subject to all the necessary statutory / regulatory approvals.

KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

Year	Details
2001	Received Certificate of Import- Export Code (IEC)
2012	Received ISO 9001:2015 Certification
	Obtained registration under Secretariat for Industrial Assistance
2017	Received Star Export House Certificate
2020	Obtained Udyog Aadhar Memorandum/ Entrepreneurs Memorandum

For information on our Company's certifications and business related approvals please refer to chapter titled ***"Government and Other Statutory Approvals"*** beginning on page 191 respectively of this Draft Red Herring Prospectus.

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:
1. To carry on the business of manufacturers of and dealers in plastic moulded goods of all kinds and for all purposes and in rubber and plastic tubes and tyres and in bottles, containers, tubes, thermowares, drums, crates, furniture, tanks, doors, windows, flaskwares, furnitures wrapping materials, foams rubber and plastic product, transmission belts and conveyors, and similar industrial articles, pipes, tubes, hoses, rubber containers and rubber lined vessels, tanks, equipments, pipes, and similar equipments, electric products, electronic product, shoe products and parts thereof, either rubber products and parts, toys, insulating materials and all other blown, moulded, formed, extruded, cleandered and dipped good and articles.

2. To carry on the business of manufacturers of processors, importers, buyers, sellers, stockiest, agents, distributors and dealers in all kinds of plastic materials of poly propylene films, bags, plastic Sutli, nylon fishing materials styrene, propylene, vinyl chloride, poly vinyl chloride polyethylene, polyolifines, vinyl acetake and copolymers of one or more of the above and / or other products, acrylics and polyesters, polycarbonates and polyethers and epoxy resins and compositions, P- F, U-F-and other thermosetting resins and moulding compositions nylon rilson and similar thermoplastics, moulding compositions including prefabricated sections and shapes, cellulosic plastics and other thermosetting and thermoplastic materials and plastic products and goods including poly vinyl chloride pipes, sheets, linings, conduit pipes and ancillary products, resins, high density and low density polythene products.

3. To render consultancy service in the manufacture of all kinds of rubber, plastics and moulded goods

AMENDMENTS TO THE MOA OF OUR COMPANY IN THE LAST TEN YEARS

The following changes have been made to our Memorandum of Association, in the last ten years from the date of filing of this Draft Red Herring Prospectus:

DATE OF EGM/AGM	AMENDMENTS
October 11, 2011	• Pursuant to Consolidation from 5 equity share of Rs.2/- each into 1 equity share of Rs. 10/-each the Existing Authorised Share capital is ₹ 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs. 10/- each. • Insertion of new objects in the clause IIIC- Other Objects of the Memorandum of Association of the Company pursuant to provisions of section 17 and other applicable provisions, if any, of Companies Act, 1956.by inserting clauses 26 to 49 after the subclause 25 of clause of IIIC.
March 18, 2013	Increase in Authorised Capital from ₹ 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs. 10/- each to ₹ 15,00,00,000 consisting of 1,50,00,000 Equity shares of Rs. 10/- each

March 20, 2018	Increase in Authorised Capital from ₹ 15,00,00,000 consisting of 1,50,00,000 Equity shares of Rs. 10/- each to ₹ 16,00,00,000 consisting of 1,60,00,000 Equity shares of Rs. 10/- each
May 31, 2013	Alteration of the provisions of Memorandum of Association with respect to its objects and complied under Section (18)(1) of the Companies Act, 1956.
Not applicable*	Increase in Authorised Capital from ₹ 16,00,00,000 consisting of 1,60,00,000 Equity shares of Rs. 10/- each (Amalgamation of Wholly owned Subsidiary) to ₹ 16,50,00,000 consisting of 1,65,00,000 Equity shares of Rs. 10/- each pursuant to the composite scheme of arrangement in the nature of amalgamation of Sah polymers limited (Holding Company) and Sah E-com limited, the wholly owned Subsidiary ("WOS") and their respective shareholders and creditors resulting into amalgamation of WOS in the holding company
July 15, 2021	• Increase in Authorised Capital from ₹ 16,50,00,000 consisting of 1,65,00,000 Equity shares of Rs. 10/- each to ₹ 25,00,00,000 consisting of 2,50,00,000 Equity shares of Rs. 10/- each. • The existing set of Memorandum of Association was altered pursuant to the provisions of Companies Act, 2013, rules and schedules therein vide special resolution passed at the Extra Ordinary General meeting held on 15/07/2021.

**the increase in Authorised share capital is pursuant to the composite scheme of arrangement in the nature of amalgamation of Sah polymers limited , Holding Company and Sah E-com limited, the wholly owned subsidiary ("WOS") and their respective shareholders and creditors resulting into amalgamation of WOS in the holding company w.e.f. April 1, 2019 (effective pursuant pursuant to order dated August 21, 2020 vide order No. (02)/2020-21/753) .*

OUR HOLDING COMPANY

SAT Industries Limited is our holding company. For further details, including in relation to its nature of business and capital structure, see "Our Promoter and Promoter Group" on page 156 of this Draft Red Herring Prospectus.

OUR SUBSIDIARY COMPANY

As on date of this DRHP we do not have any subsidiary Company.

JOINT VENTURES OF OUR COMPANY

Our Company has not entered into any Joint Venture as on the date of filing of this Draft Red Herring Prospectus.

DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/ UNDERTAKINGS, MERGERS, AMALGAMATIONS OR ANY REVALUATION OF ASSETS, IN THE LAST 10 YEARS

Except as disclosed below, our Company has not acquired any business or undertaking and has not undertaken any merger, amalgamation or revaluation of assets in last 10 years:

Amalgamation of our wholly owned subsidiary Sat E-Com Limited (SEL) under section 233 of the Companies Act, 2013.

The Board of Directors of our Company at their meeting held on November 18, 2019 and the shareholders and unsecured creditors of the Company at their respective meetings held on January 18, 2020, unanimously approved the proposal for the amalgamation of its wholly owned subsidiary, Sat E-Com Limited (SEL) to be amalgamated with our Company under section 230/ 233 of the Companies Act, 2013, subject to all the necessary statutory/ regulatory approvals. The Scheme of Amalgamation ('The Scheme') for merger of SEL with the Company has been approved by the Regional Director, North Western (RD-NW), Ministry of Corporate Affairs, Ahmedabad under Section 233 of Chapter XV of the Companies Act, 2013 on August 21, 2020, the Scheme has become effective from appointed date i.e., 1 April 2019 and the effect thereof were been given in the Financials. As SEL was a wholly owned subsidiary of the Company, no consideration was payable pursuant to amalgamation of SEL with the Company. The entire business and the whole of the undertaking of SEL, as a going concern stands transferred to and vested in the Company with effect from April 01, 2019, being the Merger Appointed Date.

Disinvestment by our Holding Company

Our Promoter's shareholding in Genext Students Private Limited has been diluted from 30.94 % to 18.79% pursuant to shareholder's agreement dated July 20, 2021 between Navneet Tech Ventures Private Limited and Genext Students Private Limited and the existing shareholders.

For further details, see "Our Promoter and Promoter Group" on page 156 of this Draft Red Herring Prospectus.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY

Our company has not divested any of its business / undertaking in last 10 years from the date of this Draft Red Herring Prospectus.

SHAREHOLDER'S AGREEMENTS

Our Company has not entered into any subsisting shareholders agreement as on date of filing of this Draft Red Herring Prospectus except for the material shareholders agreement mentioned below under the heading '***Material agreements***' in this chapter.

MATERIAL AGREEMENTS

There are no subsisting material agreements or contracts which have been entered into by our Company except as mentioned under the heading "Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years" of this chapter, prior to the date of this Draft Red Herring Prospectus which are not in the ordinary course of business.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company in respect of our business operations.

STRATEGIC PARTNERS

As on the date of filing of this Draft Red Herring Prospectus, our Company does not have any strategic partners.

FINANCIAL PARTNERS

Apart from the various arrangements with bankers, financial institutions and NBFCs which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

As on the date of this Draft Red Herring Prospectus, no payment defaults or rescheduling have occurred in relation to any borrowings availed by our Company from any financial institutions or banks, nor have any such borrowings or loans been converted into Equity Shares. However, in response to the COVID-19 pandemic, we have availed borrowings under the Emergency Credit Line Guarantee Scheme 10.0 offered by the Government of India

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details of key products launched by our Company, entry into new geographies or exit from existing markets, see "Our Business" on page 116.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTOR, PROMOTER OR ANY OTHER EMPLOYEE

There are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OUR MANAGEMENT

The Articles of Association require our Board to have at least 3 (three) Directors and not more than 15 (fifteen) Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of 6 (Six) Directors, including four Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding our Board of Directors as on the date of filing of this Draft Red Herring Prospectus:

Board of Directors

Name, Designation, Address, Occupation, Nationality, Date of birth, Term, Period of directorship and DIN	Age (in years)	Other directorship
Name: Asad Daud **Designation:** Managing Director **Address:** 303, Asiana, Gunpowder Lane, Mazgaon, Mumbai-400010 **Occupation:** Business **Nationality:** Indian **Date of Birth:** August 3, 1990 **Current term:** Term of 5 years from March 11 2021, liable to retire by rotation **Period of directorship:** Associated with our company as Independent director on April 3, 2009 then was Appointed as the Whole Time Director on May 1, 2009 and presently he has been acting as Managing Director since November 02, 2015. **DIN:** 02491539	**31**	***Indian companies:*** **Public companies:** Sat Industries Limited Aeroflex Industries Limited **Private companies:** Lion Houseware Private Limited Sat Invest Private Limited Italica Furniture Private Limited Genext Students Private Limited A Flex Invest Private Limited Aeroflex Finance Private Limited Eduvisor Services Private Limited ***Foreign companies*** Aeroflex Industries Limited (UK) **Limited Liability Partnership:** Rubis Capital Advisors LLP* **Nominee – Body Corp partner*
Name: Hakim Sadiq Ali Tidiwala **Designation:** Whole Time Director **Address:** 30, Kharol Colony, Fatehpura, Udaipur-313004 **Occupation:** Business **Nationality:** Indian **Date of Birth:** July 10, 1957 **Current term:** Term of 3 years from August 1, 2021, liable to retire by rotation	**64**	***Indian companies*** **Public companies:** Sah Infra-Tech Limited Aeroflex International Limited **Private companies:** Park Continental Private Limited Italica Furniture Private Limited ***Foreign companies*** Nil

Period of directorship: Appointed in our company as the Managing director since August 1, 1998. Thereafter his designation was changed to Whole time Director on November 2, 2015. **DIN:** 00119156		
Name: Ramesh Chandra Soni **Designation:** Independent Director **Address:** 29, Chhoti Maheshwari Street, Dhanmandi, Udaipur-313001 **Occupation:** Profession **Nationality:** Indian **Date of Birth:** October 19, 1959 **Current term:** Term of 5 years from March 11, 2020 **Period of directorship:** Associated with our Company as a Non Executive director since April 3, 2009 thereafter he was appointed as Independent director on March 12, 2015 and was Re-appointed on March 11, 2020 **DIN:** 00049497	61	***Indian companies*** **Public companies:** Sat Industries Limited. Aeroflex Industries Limited **Private companies:** Italica Furniture Private Limited Aeroflex Finance Private Limited ***Foreign companies*** Nil
Name: Sanjay Suthar **Designation:** Independent Director **Address:** Jhadol Falasiya, Kolyari , Udaipur -313701 **Occupation:** Service **Nationality:** India **Date of Birth:** August 31, 1993 **Current term:** Term of 5 years from March 28, 2017 **Period of directorship:** Appointed as additional (Independent) director on March 28, 2017 which was then regularised on September 29, 2017. **DIN:** 07777202	**27**	***Indian companies*** **Public companies:** Nil **Private companies** Nil ***Foreign companies*** Nil
Name: Nikhil Khanderao Raut **Designation:** Independent Director **Address:** Kamal Niwas, Near Municipal School, Penkar Pada,Mira Road East, Mira-Bhayander, Thane, Maharashtra- 401107 **Occupation:** Service **Nationality:** Indian	29	***Indian companies*** **Public companies:** Sat Industries Limited. Suwarnsparsh Gems & Jwellery Ltd **Private Companies:**

Date of Birth: October 13, 1991 **Current term:** Term of 5 years from March 10, 2017 **Period of directorship:** Appointed as Independent director on March 10, 2017. **DIN:** 06653335		Nil ***Foreign companies*** Nil
Name: Chetna **Designation:** Independent Director **Address:** H. No. 138, village Rithala, North west Delhi, Delhi- 110085 **Occupation:** Professional **Nationality:** Indian **Date of Birth:** April 28, 1990 **Current term:** Term of 1 year from August 19, 2021 **Period of directorship:** Appointed as Independent director on August 19, 2021 **DIN:** 00119156	**31**	***Indian companies*** **Public companies:** Esquire Money Guarantees Limited Advik Capital Limited Best Agrolife Limited Prosper Housing Finance Limited **Private Companies:** Lotte Engineering & Construction India Pvt Ltd ***Foreign companies*** Nil

None of our Directors are related to each other or to any of the KMPs as per the definition "Relative" under the Companies Act, 2013.

None of our directors are on the RBI List of wilful defaulters as on the date of the DRHP.

Further, neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital markets by SEBI.

None of our directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s) during his / her tenure in that Company(ies).

None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on any of the stock exchange(s) during his / her tenure in that Company(ies).

None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by the SEBI.

No proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprise of any of Directors of our Company.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of senior management.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to

become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

None of our Directors have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Brief Profile of the Directors

Asad Daud, aged 31 years, is the Managing director of our company. He is associated with our company since April 3, 2009. In our Company he was initially appointed as Whole Time Director on May 1, 2009 and since November 2, 2015 he is the managing director He holds a Masters of Science in field of Accounting & finance from The London school of Economics and Political Science in the year 2012. He possesses more than 11 years of experience in the field of Polymer Industry. He looks after the management and operations of the company and promotes expansion and innovation of the company.

Hakim Sadiq Ali Tidiwala aged 64 years, is the Whole Time Director of our Company. He has been associated with our Company since August 1, 1998. He was then appointed as the Managing director and since November 2, 2015 he has been re-appointed as Whole Time Director in our Company. He does not have a formal education degree. He possesses more than 23 years of experience in the Polymer Industry. He is responsible for the general management and administration of the Company and planning for growth through creation of new capacities, development of products, exploring and evaluating ways of penetrating existing markets and developing new markets in India and abroad.

Ramesh Chandra Soni aged 62 years, is an Independent Director of our Company. He has been appointed as Non Executive director in our Company on April 03, 2009 and currently he is the Independent director since his appointment on March 12, 2015. He is a fellow member of the Institute of Chartered Accountant. He is a practicing chartered accountant and possess more than 35 years of Experience in the field of accounts, finance, banking, taxation etc.

Sanjay Suthar aged 28 years, is an Independent Director of our Company. He was appointed as additional Independent director of our company on March 28, 2017 which was then regularised on September 29, 2017. He holds Masters of Commerce degree from Mohanlal sukhadia University, Udaipur. He has an overall experience of 8 years in the field of finance and accounts.

Nikhil Khanderao Raut aged 29 years, is an Independent Director of our Company. He has been appointed as Independent director of our company on March 10, 2017. He holds Bachelors of Commerce degree from University of Mumbai. He has an overall experience of 9 years in the field of Finance and Accounts.

Chetna aged 31 years, is an Independent Director of our company. She has been appointed as Independent director of our company on August 19, 2021. She holds Bachelors of commerce degree from Delhi university and in Computer Applications Punjab Technical University. She is an Associate Company Secretary of the Institute of Company Secretaries of India. She also holds Bachelor of Law degree from Maharaj Vinayak Global University, Jaipur and MBA degree, from Indira Gandhi National Open University. She has an experience of approx. 3 years in the field of Secretarial, SEBI compliances and financial Management.

Borrowing Powers

Pursuant to a special resolution passed at an Extra ordinary general meeting of our Company held on July 15, 2021 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, our Board has been authorised to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the

total outstanding amount so borrowed, shall not at any time exceed the limit of ₹ 50,000.00 lakhs. (Fifty thousand Lakhs)

Compensation of Managing Director and Whole-Time Director

We have entered into a service agreement with the Managing Director, Asad Daud on March 11, 2020 and Whole-Time Director, Hakim Sadiq Ali Tidiwala on July 15, 2021. Further, the terms and conditions, relating to remuneration and appointment of Asad Daud and Hakim Sadiq Ali Tidiwala are set out in the aforesaid agreements and the same has been termed in the board resolution dated March 11, 2020 and June 18, 2021 respectively shall be subject to the provisions of Sections 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013, the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company.

The details of remuneration of the Managing Director:

Asad Daud, Managing Director

Asad Daud the Managing Director of our Company is not entitled to any remuneration pursuant to the aforementioned agreement for the term of his tenure in the company.

The details of remuneration of the Whole Time Director:

Hakim Sadiq Ali Tidiwala, Whole-Time Director

Particulars	**Remuneration(in ₹)***
Basic Salary	Upto ₹ 2.00 Lakhs per month
Perquisites	12.5% of the basic salary
Reimbursement of travelling and all other Expenses incurred	

Payment of compensation or benefit to Independent Directors of our Company

Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

The compensation/sitting fees/other remuneration paid to our current Directors for the financial years 2019-2020 and 2020 - 2021 are as follows:-

Sr. No.	**Name of the Director**	**2019-2020** **Remuneration (in Rs. lakhs)**	**2020-2021** **Remuneration (in Rs. lakhs)**
1.	Asad Daud	10.48	NIL
2.	Hakim Sadiq Ali Tidiwala	15.00	15.00
3.	Ramesh Chandra Soni	NIL	NIL
4.	Nikhil Khanderao Raut	NIL	NIL

5.	Sanjay Suthar	NIL	NIL
6.	Chetna	NIL	NIL

The abovementioned remuneration and perquisites are subject to the ceiling/provisions laid down in Sections 197 and Schedule V of the Companies Act and such all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and with the approval of the Central Government.

Except as stated in this DRHP, no amount or benefit has been paid by our Company within the two preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and key management personnel.

Further, our Company has not entered into any service contracts, pursuant to which its officers, including its Directors and Key Management Personnel, are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company including Directors and Key Management Personnel, are entitled to any benefit upon termination of employment or superannuation.

Our Company does not have any bonus or profit-sharing plan for its Directors.

There is no contingent or deferred compensation payable to our Directors.

Shareholding of the Directors in our Company

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company. The following table details the shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

Name of the Director	No. of Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
Asad Daud	1*	Negligible	[●]

***holds as nominee on behalf of Sat Industries Limited.**

Interest of Directors

Our directors are interested in our Company in the following manner:-

All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association;

All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;

(a) Asad Daud and Hakim Sadiq Ali Tidiwala have extended personal guarantees for securing the repayment of bank loans obtained by our Company from our lenders, and may deemed to be interested to that extent;

(b) All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations, ;

(c) Our directors have no interest in any property acquired by our Company or proposed to be acquired by our

Company as of date of this Draft Red Herring Prospectus.

(d) None of our Directors have any interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus. However Mr. Asad Daud, the Managing director of our company is also the significant Beneficial Owner of Our Corporate Promoter and holding Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or qualify him/her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors either to induce them to become or to qualify them as Directors except the normal remuneration for services rendered by them as Directors.

No loans have been availed by our Directors from our Company as on date of this filing of this Draft Red Herring Prospectus.

Except as stated above and under the headings "Restated Financial Information - Annexure F-25 & F-26 - Related Party Transaction" on page 164, under the section titled "Financial Information", we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this DRHP in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

Changes in our Board of Directors during the last three years

The following changes have taken place in the Board of Directors of our Company during the last three years:-

Sr. No.	Name	Date of Appointment/ change/Resignation	Reason
1	Chetna	August 19, 2021	Appointed as Independent Director
2	Hakim Sadiq Ali Tidiwala	August 1, 2021	Re-appointed as Whole time Director
3	Asad Daud	March 11, 2020	Re-appointed as Managing Director
4	Ramesh Chandra Soni	March 11, 2020	Re-appointed as Independent Director
5	Hakim Sadiq Ali Tidiwala	August 1, 2018	Re-appointed as Whole Time Director

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchange and the applicable regulations of SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchange, the SEBI Listing Regulations and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof.

Our Board of Directors is constituted in compliance with the Companies Act, Listing Agreement to be executed with Stock Exchange, the SEBI Listing Regulations to the extent applicable. Our Board of Directors functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Committee of the Board in accordance with the SEBI Listing Regulations

Board Committees

Our Company has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act 2013:

a) Audit Committee;

b) Nomination and Remuneration Committee

c) Stakeholders Relationship Committee

d) IPO Committee

Audit Committee

Audit Committee was constituted vide Board Resolution dated March 28, 2017. The existing Audit Committee of our Company comprises of the following: -

(i) Ramesh Chandra Soni, Chairman;

(ii) Nikhil khanderao Raut, Member; and

(iii) Hakim Sadiq Ali Tiddiwala, Member;

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
    i. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
    ii. changes, if any, in accounting policies and practices and reasons for the same;
    iii. major accounting entries involving estimates based on the exercise of judgment by management;
    iv. significant adjustments made in the financial statements arising out of audit findings;
    v. compliance with listing and other legal requirements relating to financial statements;
    vi. disclosure of any related party transactions;
    vii. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties which includes omnibus approval for related parties transactions subject to conditions as specified under rules;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
20. To investigate any other matters referred to by the Board of Directors;

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The audit committee shall mandatorily review the following information:

a. Management discussion and analysis of financial information and results of operations;
b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
d. Internal audit reports relating to internal control weaknesses; and
e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
f. Statement of deviations:
    (1) half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
    (2) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted vide Board Resolution dated March 28, 2017. The members of the Nomination and Remuneration Committee are: -

(i) Ramesh Chandra Soni, Chairman;

(ii) Nikhil Khanderao Raut, Member; and

(iii) Sanjay Suthar, Member;

The role of the Nomination and Remuneration Committee shall be as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel, senior management and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Stakeholders Relationship Committee

Stakeholders Relationship Committee was constituted vide the Board meeting held on July 31, 2021. The members of the Stakeholders Relationship Committee are:

(i) Sanjay Suthar, Chairperson;

(ii) Asad Daud, Member;

(iii) Hakim Sadiq Ali Tidiwala, Member.

The role of the Stakeholders Relationship Committee shall be as follows:

i. Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures, if any;
ii. Redressal of security holder's/investor's complaints efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
iii. Reviewing on a periodic basis the approval/ refusal of transfer or transmission of shares, debentures or any other securities;
iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
v. Allotment and listing of shares;
vi. Reference to statutory and regulatory authorities regarding investor grievances; and
vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
viii. Any other power specifically assigned by the Board of Directors of the Company

IPO Committee

IPO Committee was constituted vide Board Resolution dated July 31, 2021. The members of the IPO Committee are: -

(i) Asad Daud - Chairman;

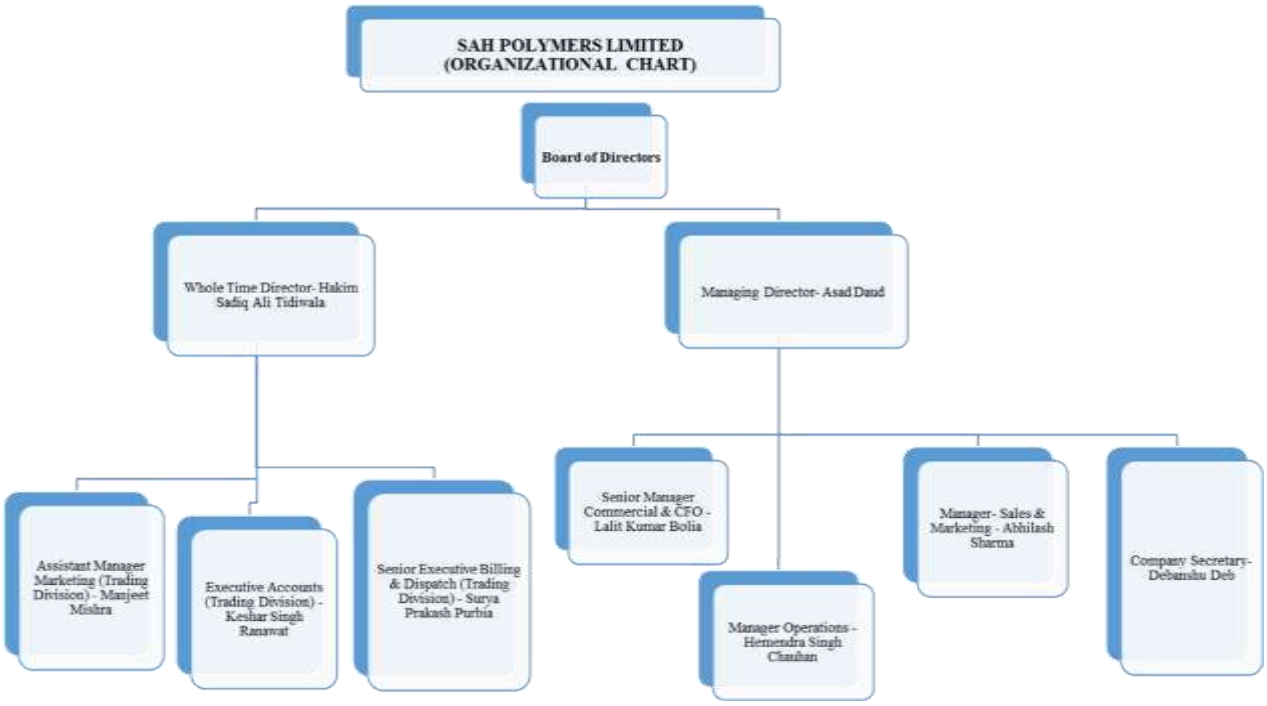
(ii) Hakim Sadiq Ali Tidiwala – Member;

(iii) Ramesh Chandra Soni- Member.

The IPO Committee exercises powers in relation to the matters listed below:

1. the IPO Committee has been constituted to decide the terms and conditions of the Issue, finalization and filing of the Draft Red Herring Prospectus and this Red Herring Prospectus with SEBI, the Stock Exchanges and other regulatory bodies as may be required;
2. handle all matter relating to appointment of intermediaries and advisors in relation to the IPO;
3. deciding on allocation of the equity shares to specific categories of persons;
4. opening of bank accounts, securities account, escrow or custodian accounts, submitting applications and seeking listing of Equity Shares with the Stock Exchanges;
5. determining and finalizing the price band, bid opening and closing date of this Issue, approving and finalizing the 'Basis of Allocation';
6. determining the price at which the Equity Shares are to be offered to the investors;
7. settling difficulties and doubts arising in relation to the IPO;
8. empowering the authorized officers to enter into and execute any agreements or arrangements in relation to the IPO; and
9. carry out all acts and take all decisions as may be necessary for the purposes of the IPO and listing.

Management Organizational Structure



Key Management Personnel

In addition to Asad Daud and Hakim Sadiq Ali Tiddiwala , whose details have been provided above, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus are set forth below:

Lalit Kumar Bolia aged 55 years, is the Chief Financial Officer of our Company. He has been appointed as CFO of the Company w.e.f. November 2, 2015. He holds a Bachelors of Commerce degree from Mohanlal Sukhadia University, Udaipur. He is employed in company since 2006. Further he has an overall experience of over 30 years in field of finanace and Accounts. He received compensation for the Fiscal 2021 of ₹ 5.96 Lakhs

Debanshu Deb aged 28 years, is the Company Secretary and Compliance Officer of our Company. He has been appointed as Company Secretary w.e.f. September 22, 2017 and Compliance officer w.e.f. July 31, 2021. He holds Bachelor of Commerce degree from, Mohanlal Sukhadia University, Udaipur. He holds a membership of Company Secretary from Institute Of Company Secretaries of India and his ACS no. is 50778. He received compensation for the Fiscal 2021 of ₹ 2.64 Lakhs.

Shareholding of Key Management Personnel

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

Name of the Director	No. of Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
Asad Daud	1*	Negligible	[●]
Lalit Kumar Bolia	1*	Negligible	[●]

***Held as nominee on behalf of Sat industries Limited**

Notes:

1. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company.
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned Key Managerial Personnel have been recruited.
3. As on the date of filing of this DRHP, our Company does not have a performance linked bonus or a profit sharing plan with the Key Managerial Personnel.
4. There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.
5. No non-salary-related payments or benefits have been made to our key management personnel based on targets achieved and general performance.
6. Our Key Managerial Personnel are governed by the terms of their appointment letters/employment contracts and have not entered into any other service contracts with our Company. No officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

Changes in the Key Management Personnel during last three years:

Following have been the changes in the key managerial personnel during the last three years:

Sr. No.	Name of KMP	Designation	Date of Appointment/ Change/Resignation	Reasons
1.	Hakim Sadiq Ali Tidiwala	Whole Time Director	August 1, 2018	Re-Appointment
2.	Lalit Kumar Bolia	CFO	November 2, 2018	Re-Appointment
3.	Asad Daud	Managing Director	March 11, 2020	Re-Appointment

Interest of Key Management Personnel

None of our Key Management Personnel has any interest in our Company except to the extent of their

remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business.

No loans have been availed by the Key Management Personnel from our Company as on date of this filing of this Draft Red Herring Prospectus.

Employee stock option and stock purchase schemes

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option and stock purchase schemes.

Payment or Benefit to Key Managerial Personnel of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

OUR PROMOTER AND PROMOTER GROUP

The Promoter of our Company is Sat Industries Limited. Our Promoter, currently holds an aggregate of 1,43,16,000 Equity Shares including the shares held by its nominees on behalf of the Promoter, constituting to 91.79% of the pre issued, subscribed and 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 – History of the Equity Share capital held by our Promoter", on page 64.

The details of our Promoter is as follows:

Sat Industries Limited

Corporate information:-

Sat Industries Limited ("SIL") was originally incorporated as a public limited company under the Companies Act, 1956, in the name of "Regent Leasing & Finance Limited" pursuant to a Certificate of Incorporation dated November 23, 1984. The name of the company was subsequently changed to "Sat Investeck Limited" pursuant to certificate of incorporation dated May 21, 2001. Pursuant to Certificate of Incorporation dated December 19, 2006 name "Sat Investeck Limited" was changed to the current name viz "Sat Industries Limited". The CIN of the Company is L25199MH1984PLC034632. The registered office of SIL is at 121, B-Wing, Mittal Tower, Nariman Point Mumbai Mumbai City, Maharashtra- 400021. Equity shares of the company are listed on BSE Limited located at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. SIL is engaged in the business of wholesale trading, Rental and leasing of motor vehicles, machinery, equipment, capital goods, etc. activities and Financial and Credit leasing activities.

Change in activity

1. Pursuant to insertion of clause No. 2C and 2D relating to business to acquire by purchase, lease , exchange, hire or otherwise develop or operate land, building and hereditaments, commercial and industrial, complexes, etc. in the object clause of MOA vide Special Resolution passed in Annual General Meeting held on 27th September, 2011.

2. In the year 2012-13 and 2013-14 our Promoter divested investment in Sat E-Com Limited engaged in the business of development of software etc.

3. Pursuant to insertion of clause no. 2E to 2I relating business of moving a product or service from supplier to customer; business of educational institutions, schools, college, etc, and involving in the plastic moulded goods, all kinds of packing laminated & coated materials, machines, moulds, plastic materials, plants, machineries, etc. in the object clause of MOA vide special resolution dated October 1, 2014.

4. Pursuant to insertion of sub clause no. (d) under clause no. 2H which states purchasing and letting on lease or hire in any part of India or abroad all kinds of machinery, moulds, plants, tools, jigs and fixtures, agricultural machinery, barges, automobile and vehicles of every kind and description, computers, office equipment of every kind, construction machinery of all types and description, air conditioning plants and electronic equipment's of all kind and description in the object clause of MOA vide Special resolution dated January 5, 2016.

5. Pursuant to insertion of clause no. 2J to 2L in the object clause of MOA vide Special resolution dated September 6, 2016 .

6. In the financial year 2015-16 Sat Industries Limited acquired Majority stake in Italica Furniture Private Limited engaged in the business of leasing of assets, investment and financing and acquired majority holding in Aeroflex International Limited ,engaged in the business of trading.

7. In the year 2015-16 our promoter acquired material acquisition in Genext Students Private Limited engaged in the Hitech Ed and divested material stake in the year 2021-22. Detailed under the heading dissassociation of our promoter under promoter & promoter group chapter on page 156.

8. In the year 2017-18 Sat Industries Limited acquired majority holding in Aeroflex Industries Limited , engaged in the business of manufacture of MS Hose Pipes etc.

9. In the year 2019-20, amalgamated its wholly owned subsidiary Sat Middle East Limited FZC, UAE, engaged in international trading with its another wholly owned subsidiary Italica Globle , FZC, UAE., engaged in international trading.

10. Amalgamation: Filed an application under section 230-232 of the Companies Act,2013 with the NCLT, Mumbai for amalgamation of two of its wholly owned subsidiary namely : Italica Furniture Private Limited and Aeroflex International Limited and the same is pending. The impact of the merger on Sat Industries Limited will be on availability of more funds, better control , avoidance of duplication of activity etc.

Board of directors:

The board of directors of Sat Industries Limited comprise the following:

Name	Designation
Mrs. Shehnaz D. Ali	Executive Director
Mr. Harikant Turgalia	Executive Director
Mr. Ramesh Chandra Soni	Non-Executive - Independent Director
Mr. Asad Daud	Non-Executive - Non Independent Director
Mr. Nikhil Khanderao Raut	Non-Executive - Independent Director
Mr. Goree Shankar Shrimali	Non-Executive - Independent Director

Shareholding pattern:

The shareholding pattern of Sat Industries Limited as of June 30, 2021 is as follows:

Sr. No.	Category of shareholder	Number of shareholders	Total Number of shares held	Shareholder as a % of total no. of shares (calculated as per SCRR) as a % of (A+B+C)	No. of voting rights	Total as a % of total voting rights	No. of equity shares held in dematerialized form
1	**Promoter & promoter Group**						
	Sat Invest Private limited	1	5,08,35,000	44.95	5,08,35,000	44.95	5,08,35,000
	A Flex Invest Private Limited	1	75,00,000	6.64	75,00,000	6.64	75,00,000
	Total	**2**	**5,83,35,000**	**51.58**	**5,83,35,000**	**51.58**	**5,83,35,000**
2	**Public**	**1838**	**5,47,50,000**	**48.42**	**5,47,50,000**	**48.42**	**5,47,49,970**

	Total	**1840**	**11,30,85,000**	**100.00**	**11,30,85,000**	**100.00**	**11,30,84,970**

Promoter & promoter group of our Promoter:

The promoter of our promoter viz. Sat Industries Limited is Sat Invest Private Limited.

Significant Beneficial Owner of our Promoter:

Individuals (Significant Beneficial Owners)	Promoters & Promoter group (PG) of our Corporate Promoter	Shares Held (%) or Voting Rights (%)
Mr. Asad Daud	Sat Invest Private Limited	21.12%
Mrs. Shehnaz D. Ali	Sat Invest Private Limited	7.50%
Mr. Asad Daud	A flex Invest Private Limited (PG)	40.00%
Mrs. Shehnaz D. Ali	A flex Invest Private Limited (PG)	60.00%

Change in control of our Promoter:

There has been no change in the control of Sat Industries Limited in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the registrar of companies where Sat Industries Limited is registered, shall be submitted to the Stock Exchange at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company:

Our Promoter, in the year 2015 acquired 85,21,430 Equity shares representing 54.63% of shareholding of our company from shareholders viz. Sat invest Private Limited, Lion Houseware Private Limited and Park Continental Limited. Thereafter Sat Industries Limited has been identified as a promoter of our Company in certain Public filings by our Company in the past. For further details, see "Capital Structure - Build-up of the shareholding of our Promoter in our Company" on page 64.

Interests of our Promoter:
Our Promoter is interested in our Company to the extent it has promoted our Company and to the extent of its shareholding in our Company and dividend payable, if any, other distributions in respect of the securities held by it.

For details of shareholding of our Promoter in our Company, see "Summary of the Offer Document-Pre-Issue Shareholding of our Promoter and the Promoter Group" on page 156. Our Promoter has no interest in any property acquired in the three years preceding the date of this Draft Red Herring Prospectus or is 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. We have received the NOC from our promoter to use their registered office at 121, B-Wing, Mittal Tower, Nariman Point Mumbai City, Maharashtra- 400021 as our corporate office and we share office space with few of our Promoter group entities.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as promoters or otherwise for services rendered by such promoter or by such firms or companies in connection with the promotion or formation of our Company.

Payment or benefits to our Promoter and its Promoter Groups Other than as stated in "Financial Information" beginning on page 165, there has been no payment of benefits to our Promoter or the Promoter Group during the two years immediately preceding the date of filing of this Draft Red Herring Prospectus. Other than as stated in "Financial Information" beginning on page 165, there is no intention to pay or give any benefit to our Promoter or any members of our Promoter Group. Material guarantees given by our Promoter to third parties with respect

to Equity Shares - Our Promoter has not provided any guarantees to third parties with respect to the Equity Shares. Further our promoter has provided corporate guarantee for certain loan taken by the company from the ICICI Bank.

Companies or firms with which our Promoter has disassociated in the last three years:
Our Promoter has not disassociated itself from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus. However our Promoter's shareholding has been diluted from 30.94 % to 18.79% in Genext Students Private Limited pursuant to shareholder's agreement dated July 20, 2021 between Navneet Tech Ventures Private Limited And Genext Students Private Limited and the existing shareholders.

Further pursuant to the shareholders agreement and Investment Agreement dated July 20, 2021 the Company agreed and undertakes that it shall, and the Existing Shareholders jointly and severally undertake that they shall, exercise all rights and powers available to them to procure that the Company shall utilize the proceeds of the Subscription Consideration: (i) solely for the purposes of growth and expansion of the Company; (ii) to meet working capital requirements of the Company as mutually agreed between the Company and the Investor in the Business Plan of the Company, in accordance with Applicable Law; and (iii) to repay the loan amount of not more than Rs. 1,10,00,000 (Indian Rupees One Crore Ten Lakhs) to Park Continental Private Limited (the shareholder of Genext Students Private Limited)

Our Promoter Group members other than Sat Industries Limited includes the following:

I. Entities forming part of the Promoter Group:

1. Italica Furniture Private Limited
2. Aeroflex Industries Limited
3. Aeroflex International Limited
4. Aeroflex Finance Private Limited
5. Italica Global FZC, (UAE)
6. Sat Invest Private Limited

II. All persons whose shareholding is aggregated under the heading "shareholding of the promoter group":

1. Mr. Asad Daud*
2. Mrs. Shehnaz D Ali*
3. Harikant Turgalia*
4. Rangarao Chinchulkar*
5. Nitin Shinde*
6. Lalit Kumar Bolia*
7. Mahipal Jain*

*these are the nominee shareholders in our Company holding on behalf of the Sat Industries Limited.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than the Holding Company/Corporate Promoter) 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.

Accordingly, all such companies(other than the Holding Company/Corporate Promoter) with which our Company has related party transactions as per the Restated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as Group Companies in terms of the SEBI ICDR Regulations.

In respect of (ii) above, our Board, in its meeting dated July 31, 2021 decided, that a company shall be considered as a Material/Group Company if: (i) companies in which the investment in the form of equity or loan by our Company exceeds 10% of the net worth of our Company for the last restated financial year and/or relevant Stub period; (ii) where our Company has entered into one or more transactions with such company in the last restated financial year and/or relevant stub period, cumulatively exceeding 10% of the total revenue of our Company for the last restated financial year and/or relevant Stub period ; (iii) it is a member of the Promoter Group (companies) (other than the Promoters) in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and the Company has entered into one or more transactions with such company during the last restated financial year and/or relevant stub period, which individually or cumulatively in value exceeds 10% of the revenue from operations of the Company for the last restated financial year and/or relevant stub period as per the Restated d Financial Information and (iv) any other company which the Board may decide to consider material.

Further, in terms of the aforementioned resolution of our Board, it is clarified that any companies which, subsequent to June 30, 2021,(relevant Stub period) have ceased to be related party of the Company in terms of Ind AS 24 solely on account of there being no significant influence/control over such company (as confirmed by the IPO Committee in a resolution) shall not be considered as 'group companies' for the purpose of disclosure in this Draft Red Herring Prospectus.

Based on the above Italica Furniture Private Limited is our Group Company which is also our fellow subsidiary.

Italica Furniture Private limited ("IFPL")

Corporate Information

Italica Furniture Private Limited was incorporated as a private limited company under the Companies Act, 1956 on December 23, 2004 having its registered office at 121, Floor-12th, Plot-210, B Wing, Mittal Tower Free Press Journal Marg, Nariman Point Mumbai- 400021.The Corporate Identity Number of IFPL is U25209MH2004PTC345795.

Nature of Activities

In accordance with the objects clause of Memorandum of Association, IFPL is currently engaged in the business of financing, investment and leasing of assets.

Financial Performance

The financial information derived from the audited financial results of IFPL for the Financial Years 2021, 2020 and 2019 are set forth below:

(*in ₹ lakh except per share data)*

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Equity share capital	208.21	208.21	208.21
Reserves and surplus (excluding revaluation reserves)	967.81	923.51	891.31
Sales/ revenue from operations	70.70	143.38	124.59
Profit after tax	44.30	27.20	97.61
Basic earnings per share (face value of ₹ 10 each)	2.13	1.31	4.69

Diluted earnings per share (face value of ₹ 10 each)	2.13	1.31	4.69
Net asset value (per share)	56.48	54.35	52.81

There are no significant notes by the auditors of IFPL in relation to the above mentioned financial statements.

Website Address for Corporate and Financial Information-www.sahpolymers.com

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Company for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at our company website under the tab group company as indicated above. These are collectively referred to as the "Group Company Information".

Our Company is providing link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the website given above should not be relied upon or used as a basis for any investment decision.

Neither our Company nor our BRLM nor any of the Company's or BRLM's, respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the website.

Litigation

For details, see "Outstanding Litigation and Material Developments – Litigations involving Group Companies" which has a material impact on our Company on page 185 of the DRHP.

Common pursuits

IFPL is permitted to carry on business activities, similar to that of our Company and Promoter/holding Company, pursuant to the provisions of its memorandum of association. The board of directors of our company, Promoter/holding Company and our group company shall take appropriate steps to ensure that a conflict of interest situation does not arise while pursuing such opportunities.

Related Business Transactions within the group and significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Related party transaction*" on page 162, there are no other related party transactions that have been entered into between our Group Company and our Company.

Nature and extent of interests of our Group Companies

Our Group Company do not have any interest in the promotion of our Company.

Our Group Company are not interested in the properties acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company. However we share our corporate office space with our Group company for its usage as registered office by mutual understanding.

Except as disclosed under *"Financial Statements"* on page 164, Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Business interests or other interests

Except as disclosed in "*Related party transaction*" on page 162, our Group Company do not have any business interest in our Company and does not have impact on the financial performance of our company.

Other Confirmations

Our Group Company do not have any securities listed on a stock exchange. Accordingly they have not made any public or rights issue of securities (as defined under the SEBI ICDR Regulations) in the three years preceding the date of this Draft Red Herring Prospectus.

Further, neither the securities of our Company or our Group Company have been refused listing by any of the stock exchange in India or abroad during the last ten years, nor has our Company or our Group Company have failed to meet the listing requirements of any of the stock exchange in India or abroad.

RELATED PARTY TRANSACTIONS

For details on related party transactions please refer to *Annexure F-25 & F-26* – Related Party Transactions of Restated Financial Statement under the section titled, "*Financial Statements*" beginning on page 164 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not declared or paid any dividend during the last three financial years ending on March 2021, 2020 and 2019 and the stub period ending on June 30, 2021 till the date of this DRHP.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company. We may/ may not retain all our future earnings, if any, for use in the operations and expansion of our business. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among other, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

SECTION VI – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS

Sr. No.	Details	Page. No.
1	Restated Financial Statements	F-1 to F-30

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Ajay Paliwal & Co.
CHARTERED ACCOUNTANTS
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Udaipur – 313001 (Rajasthan)
Mobile: +919414161477
Email:ajayhpaliwal@gmail.com

Ajay Paliwal
B.Com.,FCA,ISA(ICAI)

INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION AND CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors,
Sah Polymers Limited
E-260-261, Mewar Industrial Area,
Madri, Udaipur –313 003, Rajasthan, India

Dear Sirs,

1. We have examined the attached

(a)Restated StandaloneFinancial Information of Sah Polymers Limited (the "Company" or the "Issuer"), which comprise of Restated Standalone Balance Sheet as at 30th June,2021 and 31st March, 2021, the Restated Standalone Statement of Profit and Loss(including Other Comprehensive Income), Restated Standalone Statement of Changes in Equity and Restated Standalone Statement of Cash Flows for the period ended 30th June,2021and 31stMarch, 2021,and the Summaryof Significant Accounting Policies and other explanatory information(collectively, the 'Restated Standalone Financial Information') and

(b) Restated Consolidated Financial Information of Sah Polymers Limited(the "Company" or the "Holding Company" or the "Issuer"),its subsidiary company (collectively referred to as" the Group"), which comprise of Restated Consolidated Balance Sheet as at 31stMarch, 2020 and 31stMarch, 2019, the Restated Consolidated Statement of Profit and Loss(including Other Comprehensive Income), Restated Consolidated Statement of Changes in Equity and Restated Consolidated Statement of Cash Flows for the years ended 31stMarch,2020and 31st March,2019,and the Summary of Significant Accounting Policies and other explanatory information(collectively, the 'Restated Consolidated Financial Information')

as approved by the Board of Directors of the Company at their meeting held on 13th August,2021 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus to be prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time in pursuance of provision of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

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Ajay Paliwal
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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 Standalone Financial Information and the Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed ("Stock Exchanges")and the Registrar of Companies, Rajasthan , situated at Jaipur ("ROC"), in connection with the proposed IPO. The Restated Standalone Financial Information and the Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note to the Restated Standalone Financial Information and the Restated Consolidated Financial Information.

The Board of directors of the Company and respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information and the Restated Consolidated Financial Information. The Board of directors of the Company and the respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone Financial Information and Restated Consolidated 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 30th June, 2021 in connection with the proposed IPO of equity shares of the Company; and

b) 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 Standalone Financial Information and the Restated Consolidated 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 proposed IPO of equity shares of the Company.

Ajay Paliwal & Co.
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Mobile: +919414161477
Email:ajayhpaliwal@gmail.com

Ajay Paliwal
B.Com.,FCA,ISA(ICAI)

4. These Restated Standalone Financial Information and the Restated Consolidated Financial Information have been compiled by the management from:

(a) Audited standalone financial statements of the Company as at and for the period ended 30th June, 2021 and 31stMarch, 2021 prepared in accordance with Ind AS as prescribed under Section 133 of the Act and other accounting principles generally accepted in India (the "standalone financial statements"), which have been approved by the Board of Directors at their Board meetings held on 31st July, 2021 and 18th June ,2021 respectively.

(b) Audited consolidated financial statements of the Group as at and for the years ended 31stMarch, 2020 and 31stMarch,2019 prepared in accordance with Ind AS as prescribed under Section 133 of the Act and other accounting principles generally accepted in India (the "consolidated financial statements"), which have been approved by the Board of Directors at their Board meetings held on 18th June, 2020 and 7th May, 2019 respectively.

5.For the purpose of our examination, we have relied on Auditors' reports dated 31st July ,2021 and 18th June, 2021, on the standalone financial statements of the Company as at and for the period ended 30th June, 2021 and 31st March ,2021respectively, and also 18th June ,2020 and 7th May, 2019 on the consolidated financial statements of the Group as at and for the period ended 31 March ,2020 and 31 March, 2019 respectively, as referred in paragraph 4 above.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Company's management, and our opinions for the relevant years on the standalone financial statements and the consolidated financial statements, in so far as they relate to the amounts and disclosures included in respect of the company for the relevant years, are based solely on the reports of such other auditors. Our respective opinion on the standalone financial statements and the consolidated financial statements are not modified in respect of the above matter.

6.We did not audit the financial statements of subsidiary – Sat E-Com Limited , whose financial statements reflect total assets(before consolidation adjustments), total revenues(before consolidation adjustments) and net cash flows included in the Restated Consolidated Financial Information for each of those years is tabulated below:

Ajay Paliwal & Co.
CHARTERED ACCOUNTANTS
418,Teacher's Colony, Ambamata Scheme,
Udaipur – 313001 (Rajasthan)
Mobile: +919414161477
Email:ajayhpaliwal@gmail.com

Ajay Paliwal
B.Com.,FCA,ISA(ICAI)

Rs. in lakhs

Particulars	As at and for the year ended 31stMarch,2020	As at and for the year ended 31stMarch,2019
Total Assets	54.11	54.17
Total Revenues	-	-
Net Cash inflow/(outflow)	(0.06)	(0.08)

These financial statements have been audited by other auditors whose reports have been furnished to us by the Company's management, and our opinions for the relevant years on the consolidated financial statements, in so far as they relate to the amounts and disclosures included in respect of such subsidiary for the relevant years, are based solely on the reports of such other auditors. Our respective opinion on the restated consolidated financial statements are not modified in respect of the above matter.

7.The other auditors of the subsidiary – Sat E-Com Limited have examined the restated financial information for each of those years as mentioned in 31st March,2020 and 31stMarch,2019and have confirmed that the subsidiary's restated financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31stMarch, 2020and 31stMarch, 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the period ended 30th June, 2021;

b) do not contain any qualifications requiring adjustments; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8.Based on the above and according to the information and explanations given to us and also as per reliance placed on the reports of other auditors for the respective years as mentioned in paragraph 6and 7above, we further report that the Restated Standalone Financial Information and the Restated Consolidated Financial Information:

Ajay Paliwal & Co.
CHARTERED ACCOUNTANTS
418,Teacher's Colony, Ambamata Scheme,
Udaipur – 313001 (Rajasthan)
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Ajay Paliwal
B.Com.,FCA,ISA(ICAI)

a) has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years/period ended 30th June, 2021, 31st March, 2021, 31 March 2020 and 31 March 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the period/year ended 30th June, 2021;

b) does not contain any qualifications requiring adjustments; and

c) has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9.The Restated Standalone Financial Information and the Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 5 above.

10.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.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with SEBI, Stock exchanges and ROC 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.

Ajay Paliwal & Co.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place: Udaipur
Date: September 16, 2021
UDIN: 21403290AAAABA1657

SAH POLYMERS LIMITED
(Restated Balance Sheet as at...)

All Amount in Rs Lakhs, Unless otherwise stated

Particulars	Note	30.06.2021		31.03.2021		31.03.2020		31.03.2019	
		Standalone		Standalone		**Consolidated**		Consolidated	
ASSETS									
(1) Non-current assets									
(a) Property, Plant and Equipment	3		1,401.90		1,420.96		1,271.86		1,262.10
(b) Capital work -in- Progress	3		22.73		1.75				
(c) Investment Property			-		-				
(d) Goodwill			-		-		45.54		45.54
(e) Other Intangible Assets	3		3.09		3.53		2.09		1.05
(f) Intangible assets under development									
(g) Biological Assets other than bearer plants									
(h) Financial Assets									
(i) Investments		-		-				-	
(ii) Trade receivables		-		-				-	
(iii) Loans		-		-				-	
(iv) Others	4	106.92	106.92	56.63	56.63	52.82	52.82	78.11	78.11
(i) Deferred tax assets (net)		-		-				-	
(j) Other non-current assets	5		18.35		1.57		9.10		5.91
(2) Current assets									
(a) Inventories	6		726.27		571.56		560.76		578.85
(b) Financial Assets									
(i) Investments									
(ii) Trade receivables	7	884.22		969.23		900.01		874.10	
(iii) Cash and cash equivalents	8	20.48		194.30		104.32		152.41	
(iv) Bank balances other than (iii) above	9	5.00		50.63		65.63		33.34	
(v) Loans	10	979.58		685.14		82.00		-	
(vi) Others		-	1,889.28	-	1,899.30		1,151.96	-	1,059.85
(c) Current Tax Assets (Net)	11		1.79		1.79		-		-
(d) Other current assets	12		92.55		100.76		544.54		646.91
Total Assets			4,262.88		4,057.85		3,638.67		3,678.32
EQUITY									
(a) Equity Share Capital	13	1,559.60		1,559.60		1,559.60		1559.60	
(b) Other Equity	14	560.35	2,119.95	449.15	2,008.75	367.41	1,927.01	337.73	1,897.33
LIABILITIES									
(1) Non-current liabilities									
(a) Financial Liabilities									
(i) Borrowings	15	89.67		89.67		-		-	
(ia) Lease liabilities									
(ii) Trade payables		-		-		-		-	
(iii) Other financial liabilities(other than those specified in item (b))		-	89.67	-	89.67	-	-	-	-
(b) Provisions			-		-				-
(c) Deferred tax liabilities (Net)	16		143.79		142.67		134.76		121.17
(d) Other non-current liabilities			-		-				-
(2) Current liabilities									
(a) Financial Liabilities									
(i) Borrowings	17	1,240.87		1,289.56		1,037.38		1,128.14	
(ia) Lease liabilities									
(ii) Trade payables :	18								
(A)Total outstanding dues of micro enterprises and small enterprises									
(B)Total outstanding dues of creditors other than micro enterprises and small enterprises		403.66		340.97		448.17		397.11	
(iii) Other financial liabilities(other than those specified in item(c)		-	1,644.53	-	1,630.53	-	1,485.55	62.50	1,587.75
(d) Other current liabilities	19		219.35		164.25		85.56		58.15
(c) Provisions	20		7.04		4.32		5.35		4.56
(d) Current Tax Liabilities (Net)	21		38.55		17.66		0.44		9.36
Total Equity and Liabilities			4,262.88		4,057.85		3,638.67		3,678.32

See accompanying notes to the restated financial statements 1 to 49

As per our Audit report of even date attached.

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

SAH POLYMERS LIMITED

RESTATED STATEMENT OF PROFIT AND LOSS FOR YEAR/PERIOD ENDED

All Amount in Rs Lakhs, Unless otherwise stated

Particulars	Note no.	30.06.2021		31.03.2021		31.03.2020		31.03.2019	
		Standalone		Standalone		**Consolidated**		Consolidated	
		Amount in Rupees		Amount in Rupees		Amount in Rupees		Amount in Rupees	
INCOME :									
I Revenue from operations	22		1,391.49		5,506.99		4,910.07		4,518.44
II Other income	23		29.41		27.43		80.89		42.74
III Total Income (I+II)			1,420.90		5,534.42		4,990.96		4,561.17
IV. Expenses :									
Cost of Materials consumed	24		1,077.22		3,120.50		3,153.63		2,961.28
Purchases of Stock-in-Trade	25		36.78		674.56		183.70		7.54
Changes in inventories of finished goods work-in-progress and Stock -in-Trade	26		(201.74)		56.42		5.05		237.57
Employee benefits expense	27		63.47		223.75		215.86		205.30
Finance costs	28		31.02		86.94		133.36		104.27
Depreciation and amortization expense	3		20.44		80.56		76.50		71.18
Other expenses	29		258.88		1,129.48		1,171.41		899.11
Total expenses			1,286.07		5,372.21		4,939.51		4,486.25
V. Profit before exceptional items and tax(III-IV)			134.83		162.21		51.45		74.92
VI. Exceptional items			-		-		-		-
VII Profit/(loss) before tax (V-VI)			134.83	`	162.21	`	51.45	`	74.92
VIII Tax expense :									
(1) Current tax		22.51		27.07		8.18		14.48	
(2) Deferred tax		1.12	23.63	7.91	34.98	13.59	21.77	23.31	37.79
IX Profit(loss)for the period from continuing operation (VII-VIII)			111.20		127.23		29.68		37.13
X Profit/(Loss) from discontinued operations.			-		-		-		-
XI Tax expense of discontinued operations			-		-		-		-
XII Profit/(loss) from discontinued operation (X-XI)			-		-		-		-
XIII Profit(loss) for the period (IX+XII)\			111.20		127.23		29.68		37.13
XIV Other Comprehensive Income									
A(i) Item that will not be reclassified to profit or loss		-		-		-		-	
(ii) Income tax relating to item that will not be reclassified to profit or loss		-		-		-		-	
B(i) Item that will be reclassified to profit or loss		-		-		-		-	
XV (ii) Income tax relating to item that will be reclassified to profit or loss		-	-	-	-	-	-	-	-
XVI Total Comprehensive Income for the period (XIII+XIV) (Comprising profit (loss) and other Comprehensive Income for the period)			111.20		127.23		29.68		37.13
XVII Earnings per equity share:(for continued Operation):									
(1) Basic	30		0.713		0.816		0.190		0.238
(2) Diluted	30		0.713		0.816		0.190		0.238
XVII Earnings per equity share:(for discontinued Operation):									
(1) Basic			-		-		-		-
(2) Diluted			-		-		-		-
XVIII Earnings per equity share:(for discontinued & continuing operations)									
(1) Basic	30		0.713		0.816		0.190		0.238
(2) Diluted	30		0.713		0.816		0.190		0.238

See accompanying notes to the restated financial statements 1 to 49

As per our Audit report of even date attached.

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

SAH POLYMERS LIMITED
RESTATED CASH FLOW STATEMENT FOR THE YEAR/PERIOD ENDED 30 JUN ,2021 (Rs. in lakhs)

Sr. No.	Particulars	Period ended 30.06.2021	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2019
		Standalone	Standalone	Consolidated	Consolidated
A	**Cash Flow from Operating Activities**				
	Net Profit before tax	134.83	162.21	51.45	74.92
	Adjustments for:				
	Depreciation	20.44	80.56	76.50	71.18
	Interest Paid	31.02	82.25	133.36	98.92
	(Profit)/Loss on sale of property, plant and equipment	-	3.52		14.51
	Provisions of Gratuity	2.72			
	provisions of leave encashment	-	-	0.79	0.47
	Operating Profit before working capital changes	**189.01**	**328.54**	**262.10**	**260.00**
	Adjustment for Changes in Working Capital:				
	Decrease/(Increase) in Trade Receivables	85.01	(69.22)	(25.91)	(444.38)
	Increase/(decrease) in financial liabilities		-	(62.50)	478.22
	Increase/(decrease) in other current liabilities and provision	55.10	77.66	27.41	(111.57)
	Increase in financial liabilities	-	75.47		
	Increase/(decrease) in financial assets	-	-	(82.00)	2.03
	Increase in Loan	(294.44)	82.00		
	Other bank Balances	45.63	15.00		
	Increase/(Decrease) in Trade Payables	62.69	(107.14)	51.06	128.72
	Increase in other non current assets	(16.78)	7.53	(3.19)	9.45
	Non Current Financial assets	(50.29)	(3.81)	(32.29)	
	Increase in other current assets	8.21	(241.36)	102.37	(203.92)
	Increase in tax assets	-	(1.79)	25.29	
	Decrease/(Increase) in Stock	(154.71)	(10.80)	18.09	221.41
	Cash Generated from Operations	(70.57)	152.08	280.43	339.96
	Income Taxes Refund / (Paid)	1.62	9.85	17.10	7.89
	Net Cash Inflow /(Out Flow) from Operation (A)	**(72.19)**	**142.23**	**263.33**	**332.07**
B	**Cash Flow from Investing Activities:**				
	Sale of fixed assets	-	0.60		9.39
	Purchase of fixed assets	(0.94)	(235.22)	(87.30)	(106.65)
	WIP	(20.98)	(1.75)		
	Net Cash Inflow/(Outflow) from investing Activities (B)	**(21.92)**	**(236.37)**	**(87.30)**	**(97.26)**
C	**Cash flow from Financing Activities**				
	Repayment of borrowings	-	89.67	(32.96)	(62.51)
	Increase in borrowing	15.40	78.29		
	Interest Paid	(31.02)	(82.25)	(133.36)	(98.92)
	Net Cash Inflow /(Out Flow) from Financing Activities (C)	**(15.62)**	**85.71**	**(166.32)**	**(161.43)**
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	**(109.73)**	**(8.43)**	**9.71**	**73.38**
	CASH AND CASH EQUIVALENTS				
	As at the beginning of the year (Refer Note 8)	**194.30**	**50.20**	**152.41**	**76.15**
	Cash and cash equivalent of amalgamating Company	**-**	**54.11**	**-**	
	Less : Cash Credit	**690.54**	**592.12**	**649.92**	**647.04**
	As at the end of the year (Refer Note 8)	**20.48**	**194.30**	**104.32**	**152.41**
	Less : Cash Credit	**626.45**	**690.54**	**592.12**	**649.92**
	Net Increase/Decrease in cash & Cash equivalents	**(109.73)**	**(8.43)**	**9.71**	**73.38**

Notes:

1 The above Restated Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7, Statement of Cash Flows.

See accompanying notes to the restated financial statements 1 to 49

As per our Audit report of even date attached.

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

SAH POLYMERS LIMITED

Notes to the Restated Financial Statements

1.Reporting Entity

Sah Polymers Limited (SPL) is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act,1956. SPL is engaged in the manufacture of HDPE/PP woven fabrics and sacks with annual production capacity of 6062 MT . The manufacturing capacities are situated at Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc.

The Restated Financial Information comprise of financial statements of Sah Polymers Limited ('the Company' or 'the Holding Company') and its subsidiary, Sat ECOM Limited ('the Subsidiary). However the Amalgamation of Subsidiary Company was approved on 31/08/2020 w.e.f. 01.04.2019 hence the Revised and Restated Financial Statments includes Consolidated Financial Statements for the year ended 31.03.2019 and 31.03.2020 and Standalone Financial Statments for the period/year ended 30.06.2021 and 31.03.2021

2. Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

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 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 Years
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years

No write off is made in respect of leasehold land.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

Investment in Subsidiary

Investment in subsidiary is carried at cost less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition:

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification:

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition:

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax .

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Employee Benefits

i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Financial and Management Information Systems

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

SAH POLYMERS LIMITED

NOTE NO. - 3 PROPERTY ,PLANT AND EQUIPMENT											Rs. in lakhs
Particulars	**Lease Assets**	**Owned Assets**									
	Land - Leasehold	**Building**	**land Freehold**	**Plant and Equipment**	**Furniture and fixtures**	**Vehicles**	**Office Equipment**	**DG Sets**	**Tube well**	**Computer**	**Total**
Period ended June,2021											
GROSS CARRYING AMOUNT											
Opening Gross Carrying Amount	29.57	412.07	115.45	1,583.68	14.94	22.06	22.26	57.28	1.16	13.24	2,271.71
Additions	-	-	-	0.61	-	-	-	-	-	0.33	0.94
Disposals/Adjustment	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	29.57	412.07	115.45	1,584.29	14.94	22.06	22.26	57.28	1.16	13.57	2,272.65
ACCUMULATED DEPRECIATION											`
Opening Accumulated Depreciation	-	148.90	-	616.62	11.36	21.52	13.17	26.94	0.45	11.79	850.75
Depreciation charged during the yea	-	3.46	-	14.93	0.15	0.02	0.63	0.63	0.01	0.17	20.00
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciatior	-	152.36	-	631.55	11.51	21.54	13.80	27.57	0.46	11.96	870.75
Net Carrying Amount	**29.57**	**259.71**	**115.45**	**952.74**	**3.43**	**0.52**	**8.46**	**29.71**	**0.70**	**1.61**	**1,401.90**
Year ended March,2021											
GROSS CARRYING AMOUNT											
Opening Gross Carrying Amount	29.57	412.07	-	1,482.57	13.90	22.06	18.94	57.28	1.16	12.03	2,049.58
Additions	-	-	115.45	111.46	1.04	-	3.32	-	-	1.21	232.48
Disposals/Adjustment	-	-	-	10.35	-	-	-	-	-	-	10.35
Closing Gross Carrying Amount	29.57	412.07	115.45	1,583.68	14.94	22.06	22.26	57.28	1.16	13.24	2,271.71
ACCUMULATED DEPRECIATION											-
Opening Accumulated Depreciation	-	135.07	-	564.55	10.86	21.41	10.59	24.43	0.42	10.39	777.72
Depreciation charged during the yea	-	13.83	-	58.30	0.50	0.11	2.58	2.51	0.03	1.40	79.26
Disposals/Adjustments	-	-	-	6.23	-	-	-	-	-	-	6.23
Closing Accumulated Depreciatior	-	148.90		616.62	11.36	21.52	13.17	26.94	0.45	11.79	850.75
Net Carrying Amount	**29.57**	**263.17**	**115.45**	**967.06**	**3.58**	**0.54**	**9.09**	**30.34**	**0.71**	**1.45**	**1,420.96**

Year ended March,2020											
GROSS CARRYING AMOUNT											
Opening Gross Carrying Amount	29.57	412.07	-	1,406.91	13.57	21.49	11.69	57.28	1.16	11.10	1,964.84
Additions	-	-		75.66	0.33	0.57	7.25			0.93	84.74
Disposals/Adjustment	-	-									-
Closing Gross Carrying Amount	29.57	412.07	-	1,482.57	13.90	22.06	18.94	57.28	1.16	12.03	2,049.58
ACCUMULATED DEPRECIATION											-
Opening Accumulated Depreciation	-	121.24		510.20	10.26	21.34	8.98	21.92	0.39	8.41	702.74
Depreciation charged during the yea	-	13.83		54.35	0.60	0.07	1.61	2.51	0.03	1.98	74.98
Disposals/Adjustments	-										-
Closing Accumulated Depreciatior	-	135.07		564.55	10.86	21.41	10.59	24.43	0.42	10.39	777.72
Net Carrying Amount	**29.57**	**277.00**	**-**	**918.02**	**3.04**	**0.65**	**8.35**	**32.85**	**0.74**	**1.64**	**1,271.86**

Year ended March,2019											
GROSS CARRYING AMOUNT											
Opening Gross Carrying Amount	29.57	378.99		1,371.33	12.47	21.49	10.50	57.28	1.16	10.40	1,893.19
Additions	-	33.08		73.62	1.10		1.19			0.70	109.69
Disposals/Adjustment	-	-		38.04							38.04
Closing Gross Carrying Amount	29.57	412.07	-	1,406.91	13.57	21.49	11.69	57.28	1.16	11.10	1,964.84
ACCUMULATED DEPRECIATION											-
Opening Accumulated Depreciation	-	108.51		473.65	9.26	21.28	8.00	19.41	0.35	6.44	646.90
Depreciation charged during the yea	-	12.73		50.69	1.00	0.06	0.98	2.51	0.04	1.97	69.98
Disposals/Adjustments	-			14.14							14.14
Closing Accumulated Depreciatior	-	121.24		510.20	10.26	21.34	8.98	21.92	0.39	8.41	702.74
Net Carrying Amount	**29.57**	**290.83**	**-**	**896.71**	**3.31**	**0.15**	**2.71**	**35.36**	**0.77**	**2.69**	**1,262.10**

NOTE NO. - 3 INTANGIBLE ASSETS		Rs. in lakhs
Particulars	**Owned Assets**	
	Software	**Total**
Year ended March,2019		
Opening Gross Carrying Amount	4.28	4.28
Additions		-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	4.28	4.28
ACCUMULATED DEPRECIATION		-
Opening Accumulated Depreciation	2.03	2.03
Depreciation charged during the yea	1.20	1.20
Disposals/Adjustments	-	-
Closing Accumulated Depreciatior	3.23	3.23
Net Carrying Amount	**1.05**	**1.05**
Year ended March,2020		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	4.28	4.28
Additions	2.56	2.56
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	6.84	6.84
ACCUMULATED DEPRECIATION		-
Opening Accumulated Depreciation	3.23	3.23
Depreciation charged during the yea	1.52	1.52
Disposals/Adjustments	-	-
Closing Accumulated Depreciatior	4.75	4.75
Net Carrying Amount	**2.09**	**2.09**
Year ended March,2021		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	6.84	6.84
Additions	2.74	2.74
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	9.58	9.58
ACCUMULATED DEPRECIATION		-
Opening Accumulated Depreciation	4.75	4.75
Depreciation charged during the yea	1.30	1.30
Disposals/Adjustments	-	-
Closing Accumulated Depreciatior	6.05	6.05
Net Carrying Amount	**3.53**	**3.53**
Period ended June,2021		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	9.58	9.58
Additions	-	-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	9.58	9.58
ACCUMULATED DEPRECIATION		-
Opening Accumulated Depreciation	6.05	6.05
Depreciation charged during the yea	0.44	0.44
Disposals/Adjustments	-	-
Closing Accumulated Depreciatior	6.49	6.49
Net Carrying Amount	**3.09**	**3.09**

NOTE NO. - 3 CAPITAL WORK IN		Rs. In lakhs
Particulars	**Owned Assets**	
	Building under construction	**Total**
Year ended March,2019		
Opening Gross	3.04	3.04
Additions	30.04	30.04
Disposals/Adjustment	33.08	33.08
Closing Gross Carrying Amount	-	-
March,2020		
AMOUNT		
Opening Gross	-	-
Additions	-	-
Disposals/Adjustment	-	-
Closing Gross	-	-
Year ended March,2021		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	-	-
Additions	1.75	1.75
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	1.75	1.75
Period ended June,2021		
GROSS CARRYING AMOUNT	-	
Opening Gross Carrying Amount	1.75	1.75
Additions	20.98	20.98
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	22.73	22.73

SAH POLYMERS LIMITED

Notes forming part of the Restated Financial Statement

	Standalone	Standalone	Consolidated	Consolidated
Note 4				(Rs. In Lakhs)
OTHER NON- CURRENT FINANCIAL ASSETS	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Bank deposit with more than 12 months maturity	51.19	-	-	29.23
Other Financial Assets				
Security Deposits	55.73	56.63	52.82	48.88
	106.92	56.63	52.82	78.11

Note 5

OTHER NON-CURRENT ASSETS	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Capital Advances	17.43	0.65	6.72	3.53
Advances other than capital advances :				
Security Deposit				
-With Statutory Authorities	0.92	0.92	2.17	2.17
Other advances :				
-Others	-	-	0.21	0.21
	18.35	1.57	9.10	5.91

Note 6

INVENTORIES	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
At lower of cost and net realisable value				
Raw material	122.93	202.92	133.30	133.91
Work-in -progress	393.17	232.85	313.78	348.68
Finished Goods	146.60	105.27	79.79	50.50
Stores and Spares	57.87	27.00	29.28	38.01
Printing Ink	5.29	3.20	3.32	7.02
Wastage	0.41	0.32	1.29	0.73
	726.27	571.56	560.76	578.85

Note 7

TRADE RECEIVABLE	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
(a) Trade Receivables considered good- secured	-	-	-	-
(b) Trade Receivables considered good- unsecured	884.22	969.23	900.01	874.10
(c)Trade Receivables which have significant increase in Credit	-	-	-	-
(d) Trade Receivables -Credit impaired	-	-	-	-
Less: Allowance for doubtful receivables	884.22	969.23	900.01	874.10
	-	-	-	-
	884.22	969.23	900.01	874.10

Note 8

CASH AND CASH EQUIVALENTS	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
(a) Balances with banks				
On Current Account	13.41	192.77	42.26	79.41
(b) Cheque in hand			54.00	69.00
(b) Cash on hand	7.07	1.53	8.06	4.00
	20.48	194.30	104.32	152.41

Note 9

OTHER BANK BALANCES	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Earmarked balances				
In deposits account *	5.00	50.63	65.63	33.34
	5.00	50.63	65.63	33.34

Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet .
*Lien with the bank against bank guarantee and includes accrued interest Rs 0.00 Lakhs (pr. yr. Rs. 0..63 Lakhs)

Note 10

LOANS (CURRENT)	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
(a) Loan Receivables considered good- secured	-	-	-	-
(b) Loan Receivables considered good- unsecured	979.58	685.14	82.00	-
(c) Loan Receivables which have significant increase in credit risk	-	-	-	-
(d) Trade Receivables- credit impaired	-	-	-	-
	979.58	685.14	82.00	-
Less: Allowance for doubtful loans	-	-	-	-

	979.58	685.14	82.00	-

Note 11

CURRENT TAX ASSETS	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Income tax Refund	1.79	1.79		
	1.79	1.79	-	-

Note 12

OTHER CURRENT ASSETS	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Advances other than capital advances :				
Other advances :				
-balance with Statutory authority	7.21			
-advance against expenses	1.30	7.73	3.25	2.41
-employees advances	6.10	4.86	2.94	5.47
-pre-paid expenses	8.62	11.64	9.38	12.63
Other receivables :	62.63	76.53		
GST TDS Receivable			-	0.19
Accured EPI & Commission on IOCL	6.69	-		
Export discount and annual benefit			528.97	626.21
	92.55	100.76	544.54	646.91

Note 13

SHARE CAPITAL :	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Authorised* :				
16500000 (pr.yr. 1,60,00,000) Equity Shares of Rs.10/- each	1,650.00	1,600.00	1,600.00	1,600.00
(pr.yr.Rs. 10/-)*	1,650.00	1,600.00	1,600.00	1,600.00
Issued, subscribed and fully paid				
15596000(pr.yr. 15596000) Equity Shares of Rs.10/- each	1,559.60	1,559.60	1,559.60	1,559.60
(pr.yr.Rs.10/-)each fully paid up				
	1,559.60	1,559.60	1,559.60	1,559.60

*refer to note 37(e)

Reconciliation of number of shares :	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Face value per share (Rs.)	10	10	10	10
Number of Equity Shares outstanding at the beginning of the reporting period	15,596,000	15,596,000	15,596,000	15,596,000
No. of Equity Shares issued during the year	-	-	-	-
	15,596,000	15,596,000	15,596,000	15,596,000
Less : Deduction during the year	-	-	-	-
Number of Equity Shares outstanding at the end of the reporting period	15,596,000	15,596,000	15,596,000	15,596,000

Name of the shareholders holding more than 5% shares in the company		**As at 30.06.2021**		**As at 31.03.2021**		**As at 31.03.2020**		**As at 31.03.2019**	
Name of shareholder	**Class**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**
Sat Industries Limited and nominees	Equity	14316000	91.79	14316000	91.79	14316000	91.79	14316000	91.79
Sat Invest Private Limited	Equity	1280000	8.21	1280000	8.21	1280000	8.21	1280000	8.21

Aggregate of number of bonus shares allotted during the period of five years immediately preceding March ,31
Equity Share allotted as fully paid up by way of bonus shares

Shares held by holding Company			**As at 30.06.2021**		**As at 31.03.2021**		**As at 31.03.2020**		**As at 31.03.2019**	
Name of holding Company	Class		No.of shares	% Holding	No.of shares	% Holding	No.of shares	% Holding	No.of shares	% Holding
Sat Industries Limited and nominees	Equity		14316000	91.79	14316000	91.79	14316000	91.79	14316000	91.79

The Company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each . Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meting.
The Company has not allotted any shares pursuant to contract without payment being received in cash.
There are no call unpaid on equity shares.
No shares have been reserved for issue on option.
No equity shares have been forfeited.

Note 14
OTHER EQUITY

Particulars	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
1.SEURITIES PREMIUM				

As per the last year accounts	280.00	280.00	280.00	280.00
Add: Addition during the year	-	-	-	-
	280.00	280.00	280.00	280.00
2.GENERAL RESERVE				
As per the last year accounts	79.75	79.75	79.75	79.75
3.CAPITAL RESERVE ON AMALGAMATION (BUSINESS COMBINATION)				
As per the last year accounts	(50.00)			
Addition during the year	-	(50.00)		
	(50.00)	(50.00)	-	-
5. RETAINED EARNINGS				
As per the last year accounts	139.40	8.04	(22.02)	(59.15)
Add: Balance of amalgamating company-Sat E-Com Limited(Refer note 37)	-	4.13		
Add: Surplus for the year	111.20	127.23	29.68	37.13
	250.60	139.40	7.66	(22.02)
TOTAL	560.35	449.15	367.41	337.73

1. Share Premium :

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2. General Reserve

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period , the amount was transferred to it.

3. Capital Reserve on amalgamation:

Capital reserve on amalgamation is the difference between the consideration for acquisition of Sat E-Com Limited (SEL) and the amount of share capital and security premium of SEL as per Ind AS 103 (Appendix C), Business combinations of entities under common control (refer note 37).

4.Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Note 15

BORROWINGS -NON CURRENT :	**As at 30.06.2021**		**As at 31.03.2021**		**As at 31.03.2020**		**As at 31.03.2019**	
	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current
SECURED :								
(a) Term Loans:								
from banks :								
UCO Bank :								
I Term Loan- UCO Covid-19 Emergency credit line (UCECL)	35.95	3.61	47.53	3.61				
II Term Loan- Additional working capital term loan under guarantee emergency credit loan	24.39	86.06	27.94	86.06			62.50	
	60.34	89.67	75.47	89.67	-	-	62.50	-

(I) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 18 equal monthly instalments of Rs. 411750.00 each commencing from December 8th,2020 and the last instalment is repayable on May,07th 2022.Rate of interest as on 30.06.2021 is 7.30 % per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director of the Company.

(II) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. Rate of interest as on 30.06.2021 is 7.50 % per annum.It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director of the Company.

There is no continuing default in the payment of interest

Note 16

DEFERRED TAX LIABILITIES (NET)	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Particulars				
Deferred tax liability	142.67	134.76	121.17	97.86
Depreciation-Provision	1.12	7.64	13.80	23.90
Deferred tax assets	-	-		
Leave encashment &gratuity				
(provisions) etc.	-	(0.27)	0.21	0.59
Net amount charged to Statement of Profit and Loss	1.12	7.91	13.59	23.31
Deferred tax liabilities(net)	143.79	142.67	134.76	121.17

Note 17

BORROWINGS -CURRENT :	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
SECURED :				

Current maturity of long term debt	60.34	75.47	-	-
(for security etc. refer note 15)				
Repayable on demand				
from banks :				
UCO Bank :				
Cash Credit facilities from UCO Bank (a)	623.53	690.54	592.12	649.92
Indusind Bank Mumbai -OD (b)	2.92	-	-	-
	626.45	690.54	592.12	649.92
UNSECURED :				
Repayable on demand				
From Bank				
Deutsche Bank (c)	-	-	226.21	221.02
ICICI Bank Ltd (d)	281.87	251.81		156.72
Others				
Tata Capital Financial Services Limited (e)	272.21	271.74	219.05	100.48
	554.08	523.55	445.26	478.22
	1,240.87	1,289.56	1,037.38	1,128.14

(a) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director of the Company . Rate of interest as on 30.06.2021 is 9.95 % per annum.

(b) Borrowings from Indusind Bank is secured against fixed deposit It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director of the Company . Rate of interest as on 30.06.2021 is 9.95 % per annum.

(c) Guaranteed by Mr.Asad Daud , Managing Director and Mr.Hakim Sadiq Ali Tidiwala, Wholetime Director. Rate of interest as on 30/06/2021 is LIBOR+350 bps.

(d) Guaranteed by Mr.Asad Daud , Managing Director and Mr.Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Company. Rate of interest as on 30.06.2021 is 8.75% per annum .

(e) Guaranteed by Mr.Asad Daud , Managing Director and Mr.Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Company. Rate of interest as on 30.06.2021 is 11.00% per annum .

(e) There is no continuing default in the payment of interest .

Note 18

TRADE PAYABLES	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small	403.66	340.97	448.17	397.11
	403.66	340.97	448.17	397.11

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 19

OTHER CURENT LIABILITIES	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Statutory Liabilities	28.52	67.22	33.88	40.49
Advance received from customers	18.66	4.69	50.57	13.60
Payable against DCA and CS of IOCL	172.17	92.34		
Others :				
,- Other payables	-	-	1.11	4.06
	219.35	164.25	85.56	58.15

Note 20

PROVISIONS	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Provisions for Employee Benefits	-	-	5.35	4.56
Provisions for Gratuity	7.04	4.32		
	7.04	4.32	5.35	4.56

Note 21

CURRENT TAX LIABILITIES	**As at 30.06.2021**	**As at 31.03.2021**	**As at 31.03.2020**	**As at 31.03.2019**
Current tax (net of advance tax)	17.66	17.66	0.44	9.36
Current tax (net of advance tax) 21-22	20.89			
	38.55	17.66	0.44	9.36

Note 22

REVENUE FROM OPERATIONS	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Manufactured Goods	1,284.52	4,504.48	4473.57	4,322.29
(b) Traded Goods :	36.91	668.26	181.27	6.62
(c) Sale of services:				
I) Jobwork	26.63	129.23	21.55	2.88
II) Commission -DCA	15.60	75.85	80.39	58.11
III) Lease Rent	2.64	12.65	9.23	
	44.87	**217.73**	**111.17**	**60.99**
(d) Interest Income (Business)	25.19	67.60	75.90	55.41
(e) Other Operating Income				
I) Export Incentive	-	48.92	68.17	67.04
II) RIPS Subsidy				6.10
	-	48.92	68.17	73.13
	1,391.49	**5,506.99**	**4,910.07**	**4,518.44**

Note 23

OTHER INCOME	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Rent	0.12	0.52	0.60	0.55
(b) Interest on financial assets on amortised cost	0.63	3.31	4.23	3.98
(c) Miscellaneous income	12.31	-	3.10	4.43
(d) Forign Exchange Fluctuation	16.35	23.60	72.96	33.77
	29.41	27.43	80.89	42.74

Note 24

COST OF MATERIAL CONSUMED	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
Opening Stock	202.92	133.30	133.91	103.55
Add: Purchases	997.23	3,190.12	3,153.02	2,991.64
	1,200.15	3,323.42	3,286.93	3,095.19
Less: Closing Stock	122.93	202.92	133.30	133.91
	1,077.22	3,120.50	3,153.63	2,961.28

Note 25

PURCHASES OF STOCK -IN TRADE	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
Traded goods	36.78	674.56	183.70	7.54
	36.78	674.56	183.70	7.54

Note 26

CHANGES IN INVENTORIES		For the period ended 30.06.2021		For the year ended 31.03.2021		For the year ended 31.03.2020		For the year ended 31.03.2019
Opening Stock :								
Finished Goods	105.59		81.08		51.23		134.71	
Work-in-progress	232.85		313.78		348.68		502.77	
		338.44		**394.86**		**399.91**		**637.48**
Less :Closing Stock :								
Finished Goods	147.01		105.59		81.08		51.23	
Work-in-progress	393.17		232.85		313.78		348.68	
		540.18		**338.44**		**394.86**		**399.91**
		(201.74)		**56.42**		**5.05**		**237.57**

Note 27

EMPLOYEE BENEFITS	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
(i) Salaries, wages and bonus	55.87	195.96	198.49	187.62
(ii) Contribution to provident and other funds	2.89	11.13	11.32	10.61
(iii) Gratuity	2.72	7.29	1.87	3.76
(vi) Staff welfare expenses	1.99	9.37	4.18	3.31
	63.47	**223.75**	**215.86**	**205.30**

Note 28

FINANCE COSTS	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Interest on borrowings	31.02	82.25	110.41	98.92
(b) Interest of Income Tax	-	-	0.95	0.32
(c) Foreign exchange fluctuation on credit facility	-	0.40	19.50	-
(d) Other borrowing costs - Processing Charges	-	4.29	2.50	5.03
	31.02	**86.94**	**133.36**	**104.27**

Note 29

OTHER EXPENSES	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
Advertise and publicity	0.81	3.34	0.83	1.35
Bad Debts		-	45.78	
Bag Printing Expenses	7.67	20.91	19.35	11.73
Bag Stitching Expenses	20.35	107.50	107.47	60.27
Bank Commission and charges	5.84	24.83	25.17	21.39
Books & Periodicals	0.04	0.21	1.12	0.40
Brokerage & commission charges			0.23	
Carriage Outward	9.48	28.35	24.02	22.92
Charity and Donations	0.40	1.15		0.03
Commission on sales	10.71	48.08	81.12	39.45
Consultancy	0.69	2.68	22.83	
Consumption of stores and spare parts	5.26	92.79	75.00	84.11
Festival Expenses		2.72		
Diwali Expense			2.90	0.32
Domain Name Registration		0.45	0.95	0.03
Early Payment incentive expenses		0.97	2.85	7.16
Economic Rent & Service Charges	0.86	0.85	0.79	0.71
Electric & Power	71.05	292.13	321.94	285.48
Export Freight , Insurance & other Expenses	46.79	217.16	151.92	148.79
Fabric Weaving Expenses	20.16	95.74	93.39	86.17
Fees & Taxes		0.57	0.22	0.87
Fuel & Lubricant	4.55	22.30	18.98	13.23
Godwon Rent	4.94	10.97	5.81	2.10
Inspection Charges of bags	0.16	0.40	0.02	0.03
Inter Unit Trasit Expense			0.24	
Insurance Charges	1.96	9.08	9.45	7.18
Transport Expenses	0.69	2.51		
Job charges		7.71	9.93	
Lease Rent		3.14		
Legal & Professional Exp.	0.49	10.55	5.81	6.45
Loss on sale of property, plant & equipment		3.52		14.51
Miscellaneous Expenses	0.70	2.19	2.26	0.94
Packing Materials	2.45	14.83	18.14	14.65
Payment to Auditors:				
(i) as Audit Fee		0.23	0.27	0.27
(ii) for reimbursement of expenses		0.01	0.03	0.04
Postage & Telegram	0.47	2.41	3.55	4.48
Printing Ink	16.04	45.69	38.23	30.79
Rating Charges	0.40	0.43	0.35	0.26
Rebate, Claim & Discounts	7.50	0.51	10.75	2.18
Repairs & Maintenance (Others)	8.02	19.58	43.38	18.76
Sales Promotion Exp.		1.04	1.38	2.14
Sales Tax Demand				0.10
Staff training exp			0.20	
Software Consultancy			0.12	0.34
Software Expenses	0.89	0.72	0.80	
Sorting and counting charges	5.34	17.59	11.24	
Stationery & Printing	0.95	2.30	1.63	1.05
Subscription & Membership	0.44	0.48	0.86	0.37
Telephone and Mobile	0.73	2.04	2.39	3.02
Trade Mark registration expenses		-	0.18	
Travelling Expenses	0.05	1.19	2.91	2.68
Vehicle Running & Maintenance Expenses.	0.46	2.36	1.71	0.79
Warehouse Management charges	1.11	3.99	1.67	
Water Expenses	0.43	1.28	1.24	1.57
	258.88	1,129.48	1,171.41	899.11

Note 30

Additional Information	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019

(i) Depreciation and Amortisation :				
(a) Depreciation expense	20.00	79.26	74.98	69.98
(b) Amortization expense	0.44	1.30	1.52	1.20
	20.44	**80.56**	**76.50**	**71.18**
(ii) Payment to Auditors:				
(a) as Statutory Auditor	-	0.23	0.27	0.23
(b) Reimbursement of expenses	-	0.01	0.03	0.02
	-	**0.24**	**0.30**	**0.25**

Note 31

Earnings per share

	For the period ended 30.06.2021	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2019
Earning per share has been computed as under				
(a) Profit for the year/period	111.20	127.23	29.68	37.13
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	15596000	15596000	15596000	15596000
(c) Effect of potential Equity shares on conversion of outstanding share warrants	0	0	0	0
(d) Weighted average number of equity shares in computing diluted earnings per share	15596000	15596000	15596000	15596000
[(b) + (c)]				
(e) Earnings per share on profit for the year/period (Face Value Rs. 10.00 per share) –				
-Basic (a/b)	0.713	0.816	0.190	0.238
-Diluted (a/d)	0.713	0.816	0.190	0.238

Note 34

Contingent liabilities and commitments :

(a) Contingent liabilities

Rs. in lakhs

Claims against excise duty and other matters	30th June, 2021	31st March, 2021	31st March, 2020	31st March, 2019
(i)Excise Duty Matters	2.32	2.32	2.32	2.32
(ii) Income tax Matters *	1.61	1.61	1.61	1.61
Total	3.93	3.93	3.93	3.93

*Net of deposit

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

GUARANTEES	30th June, 2021	31st March, 2021	31st March, 2020	31st March, 2019
i) Guarantees issued by banks secured by bank deposits under lien with the bank Rs.58.64 Lakhs	407.65	407.65	407.65	407.65
(b) Commitments				
● Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	-	30.15	-

Note 35

Financial Instruments and Related Disclosures :

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of financial Instruments

	Particulars	Note		As at 30th june,2021		As at 31st March,2021		As at 31st March,2020		As at 31st March,2019	
				Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
A	Financial assets										
a)	Measured at amortised cost										
	i) Cash and cash equivalent	9		20.48	20.48	194.30	194.30	104.32	104.32	152.41	152.41
	ii) Other Bank balance	10		5.00	5.00	50.63	50.63	65.63	65.63	33.34	33.34
	v) Trade receivables	8		884.22	884.22	969.23	969.23	900.01	900.01	874.10	874.10
	vi) Other financial assets	6		106.92	106.92	134.82	134.82	82.00	82.00		-
	Total Financial assets			1016.62	1016.62	1348.98	1348.98	1151.96	1151.96	1059.85	1059.85
B	Financial Liabilities										
a)	Measured at amortised cost										
	i) Cash Credit facilities	17		1,240.87	1,240.87	1,289.56	1289.56	1,037.38	1037.38	1,128.14	1128.14
	ii)Term loans- Non current	15		89.67	89.67	89.67	-	-	-	-	-
	iii) Trade payables	18		403.66	403.66	340.97	340.97	448.17	448.17	397.11	397.11
	iv) Other financial liabilities	19		-	-	75.47	75.47	-	-	62.50	62.50
	Total financial liabilities			1734.20	1734.20	1795.67	1706.00	1485.55	1485.55	1587.75	1587.75

3 : FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor ,analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments . The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

(ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

(iii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc.. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk(The Company has exposure only in USD/EURO converted to functional currency i.e.INR)

The currency profile of financial assets and financial liabilities as at June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, are as below:

Rs. In Lakhs

Financial assets	Exposure currency	As at 30.06.2021	As at 31.03.2021	As at 31.03.2020	As at 31.03.2019
Trade receivables	USD	424.54	427.23	519.12	521.33
	EURO	106.28	192.25	77.94	66.14
Trade payable	USD	13.16	12.25	11.34	10.45
	EURO	8.36	8.36	1.14	0
		509.3	598.87	584.58	577.02

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO at March 31 would have affected the measurement of financial instruments denominated in USD/EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Rs.in lakhs

	As at		Strengthening	Weakening
Profit/(Loss)	31.03.2019		28.85	28.85
	31.03.2020		29.23	29.23
	31.03.2021		29.94	29.94
	30.06.2021		25.46	25.46

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Company's/group (consolidated) Current assets aggregate to Rs. 2709.89 lakhs, June,21 (2021- Rs. 2573.41 lakhs, 2020- Rs. 2257.26 lakhs,2019- Rs.2285.61 lakhs), including Cash and cash equivalents and Other bank balances of Rs. 25.48 lakhs- June, 21(2021-Rs. 244.93 lakhs, 2020 – Rs. 169.95 lakhs and 2019-Rs. 185.75 lakhs) against an aggregate Current liability of Rs. 1909.47 lakhs - June ,21(2021- Rs.1816.76 lakhs, 2020 – Rs. 1576.86 Lakhs and 2019- Rs. 1659.82); Non-current liabilities due between one year to three years amounting to Rs. 89.76 lakhs - June 21 (2021- Rs. 89.76 lakhs, 2020 – NIL and 2019- NIL) and Non-current liability due after three years amounting to NIL - June 21(2021– NIL, 2020- NILand 2019 - NIL) on the reporting date. Further, while the Company's/ Group's total equity stands at Rs. 2119.95 lakhs- June,2021(2021- Rs.2008.75 lakhs, 2020– Rs. 1927.01 lakhs and 2019- Rs.1897.33 lakhs), it has non-current borrowings of Rs. 89.76 lakhs -June,2021(2021- Rs. 89.76 lakhs, 2020 – Rs. NIL and 2019- Rs. NIL). In such circumstances, liquidity risk or the risk that the Company/Group may not be able to settle or meet its obligations as they become due does not exist.

D. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	Particulars	Fair value hierarchy	Fair Value as at 30 June, 2021	Fair Value as at 31 March, 2021	Fair Value as at 31 March, 2020	Fair Value as at 31 March, 2019
A	Financial assets					
a)	Measured at amortised cost					
	i) Cash and cash equivalent	L2	20.48	194.30	104.32	152.41
	ii) Other Bank balance	L2	5.00	50.63	65.63	33.34
	v) Trade receivables	L2	884.22	969.23	900.01	874.10
	vi) Other financial assets	L2	106.92	56.63	82.00	0.00
	Total Financial assets		1016.62	1270.79	1151.96	1059.85
b)	Financial Liabilities					
	Measured at amortised cost					
a	i) Cash Credit facilities	L2	1240.87	1289.56	1037.38	1128.14
	ii)Term loans	L2	89.67	89.67	0.00	0.00
	iii) Trade payables	L2	403.66	0.00	448.17	397.11
	iv) Other financial liabilities	L2	0.00	0.00	0.00	62.50
	Total financial liabilities		1734.20	1379.23	1485.55	1587.75

Note 36

Disclosures in respect of related parties pursuant to Ind AS 24

(i) Holding Company

01) Sat Industries Limited

(ii) Subsidiary :

01) Sat E-com Limited (since merged with the company w.e.f01/04/2019 refer not no 37)

(iii) Fellow Subsidiary :

Italica Furniture Private Limited

(iv) Key Managerial Persons

01) Mr. Asad Daud , Managing Director

02) Mr.Hakim Sadiq Ali Tidiwala, Wholetime Director

03) Mr. Lalit Kumar Bolia, Chief Financial Officer

04) Mr. Debanshu Deb, Company Secretary

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price Rs.in lakhs

Name of related party	Nature of relation	Till 30th June	2020-21	2019-20	2018-19	Nature of transaction
Italica Furniture Private limited	Fellow Subsidiary	0.07	0.28	0.28	0.28	Rent Received
		0.00	190.00	27.00	-	Loan Given
		0.00	217.00	0.00	-	Loan Received Back
		0.00	3.49	1.43	-	Interest Received

Asad Daud	Managing Director	0.00	-	50.00	30.00	Loan Taken
		0.00	-	50.00	30.00	Loan Repayment
		0.00	-	0.53	2.18	Interest Paid
Sat Industries Limited	Holding Company	75.00	423.00	20.00	183.05	Loan Taken
		75.00	423.00	20.00	183.05	Loan Repayment
		0.94	6.78	0.15	1.48	Interest Paid
		0.00	25.00	100.50	10.00	Loan Given
		0.00	50.00	75.50	10.00	Loan Received Back
		0.00	0.28	0.28	0.28	Rent Received
		0.00	0.82	0.65	0.27	Interest Received
Remuneration	Key Management	6.07	23.22	33.74	41.92	Remuneration

Rs. In lakhs

Closing balances				
Name	**Till 30 June 2021**	**31.03.21**	**31.03.2020**	**31.03.19**
Sat Industries Limited	-	-	25.34	-
Italica Furniture Private Limited	-	-	27.00	-
Closing balances in the case of other parties is NIL				

No amount in respect of the related parties have been written off/back are provided for during the year.
Related party relationship has been identified by the Management and relied upon by the auditors.

Note 37

AMALGAMATION OF SUBSIDIARY :

The Board of Directors of the Company at their meeting held on 18/11/2019 and the shareholders and unsecured creditors of the Company at their respective meetings held on 14/01/2020 and 18/01/2020 unanimously approved the proposal for the amalgamation of its wholly owned subsidiary, Sat E-Com Limited (SEL) with the Company under section 233 of the Companies Act, 2013, subject to all the necessary statutory / regulatory approvals. The Scheme of Amalgamation ('The Scheme') for merger of SEL with the Company has been approved by the Regional Director, North Western (RD-NW), Ministry of Corporate Affairs, Ahmedabad under Section 233 of Chapter XV of the Companies Act, 2013 on 21/08/2020, the Scheme has become effective from appointed date i.e., 1 April 2019 and the effect thereof has been given in these accounts. Consequently,

a) In terms of the Scheme, the entire business and the whole of the undertaking of SEL, as a going concern stands transferred to and vested in the Company with effect from April 01, 2019, being the Merger Appointed Date.
b) As SEL was a wholly owned subsidiary of the Company, no consideration was payable pursuant to amalgamation of SEL with the Company.

c) Accounting for Amalgamation:
The amalgamation of SEL with the Company is accounted for on the basis of the Pooling Interest Method as envisaged in the Indian Accounting Standard (Ind AS) - 103 on Accounting for Business Combinations specified in the Companies (Indian Accounting Standard) Rules 2015 and in terms of the scheme, as below,

– All asset and liabilities of the SEL were recorded at their respective book values under the respective accounting heads of the Company

– (Rs. 50.00 lakhs) being the difference between the value of net assets of the SEL transferred to the Company (determined as stated above) and the carrying value of the Company's investment in SEL (cancelled as above) has been adjusted to Capital Reserve of the Company. This accounting treatment of the reserve has been prescribed in the Scheme .

d)SEL was a Company engaged in the business of software etc. , which was 100% subsidiary of the Company.

e)The scheme inter alia provides that upon the Scheme become effective and with effect from the appointed date, the authorised share capital of SEL shall stand transferred to and be merged/amalgamated with the authorised share capital of the Company. Consequently, authorised share capital of the Company enhanced to Rs. 1650 lakhs (divided into 1,65,00,000 equity shares of Rs. 10 each)

f)Summary of relevant quantitative information of SEL as at the appointed date i.e. 1 April, 2019 has been provided below:

Particulars		Amount (Rs. in lakhs)
A. Assets		54.11
Liabilities		0.03
C.Net assets taken over (C = A – B)		54.08
D.Reserves of SEL vested in SPL		
Retained earnings		4.08
Total reserves (D)		4.08
E.Cancellation of Investments in equity of SEL held by the Company		100
F.Capital reserve on amalgamation (C - D – E)		-50.00

Note 38

EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund:
The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

b) DEFINED BENEFIT PLAN

Gratuity:

The Company participates in the Employees' Group Gratuity-Scheme of Life Insurance Corporation Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Provident Fund:

The Company makes Provident Fund contribution to the Government administered Provident fund. The Company has no part to play in this respect.

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to Rs. 5.59 Lakhs -June 21 (2021- Rs. 10.62 Lakhs, 2020- Rs. 10.88 lakhs and 2019- Rs. 10.61 lakhs) has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to Rs. 2.72 lakhs- June ,2021(2021- Rs. 2.97 lakhs, 2020- Rs. 1.87 Lakhs and 2019- Rs. 3.76 lakhs) has been included in Note 29 under Contribution to Provident and Other Funds.

Note 39

TAX RECONCILIATIONS

Rs. in lakhs

	Period ended June 30,2021	Year ended March 31,2021	Year ended March 31,2020	Year ended March 31,2019
Tax expenses recognised in the Statement of Profit and Loss				
Current Tax :				
Current tax on profits for the year	22.51	27.07	8.18	14.48
Deferred tax (Net)	1.12	7.91	13.59	23.31
Total income tax expenses	23.63	34.98	21.77	37.79

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

	Period ended June 30,2021	Year ended March 31,2021	Year ended March 31,2020	Year ended March 31,2019
Profit before income tax	134.83	162.21	51.45	74.92
Indian statutory income tax rate	27.82%	27.82%	26.00%	26.00%
Expected income tax expenses	37.51	45.13	13.38	19.48
Tax effect of adjustment to reconcile expected income tax Expenses to reported Income ax Expenses				
Tax impact of income not subject to tax	-	(0.05)	-	-
Tax effects of amounts which are not deductible for taxable income	0.06	1.30	-	-
Tax impact due to 43B of the Income tax Act,1961	0.76	(0.29)		
MAT credit adjustments	(16.25)	(10.84)	8.18	14.48
Others	0.43	(8.18)	(13.38)	(19.48)
	(15.00)	(18.06)	(5.20)	(5.00)
Total income tax expenses	22.51	27.07	8.18	14.48
Effective rate of tax (%)	16.69	16.69	15.90	19.33

Deferred Tax (Liabilities)

	Period ended June 30,2021	Year ended March 31,2021	Year ended March 31,2020	Year ended March 31,2019
Property Plant and Equipment	(0.42)	5.05	6.86	5.05
Others	(0.00)	18.85	6.94	18.85
Total deferred tax liabilities	(0.42)	23.90	13.80	23.90

Deferred Tax Assets

	Period ended June 30,2021	Year ended March 31,2021	Year ended March 31,2020	Year ended March 31,2019
Provisions				
Others	0.70	0.59	0.21	0.59
Total deferred tax Assets	0.70	0.59	0.21	0.59
Net Deferred tax (Liabilities)/Assets	(1.12)	23.31	13.59	23.31

Movement in Deferred tax Liabilities /Assets

	Property, plant and equipment	Other deferred tax liability	Provisions	Other Deferred Tax Assets	Deferred Tax Liabilities/Asset (Net)
As at 31st March, 2018	113.88	0	8.21	23.01	97.86
(Charged)/Credited to profit and Loss account	5.05	18.85	0	0.59	23.31
As at 31st March, 2019	118.93	18.85	8.21	23.6	121.17
(Charged)/Credited to profit and Loss account	6.86	6.94	0	0.21	13.59
As at 31st March, 2020	125.79	25.79	8.21	23.81	134.76
(Charged)/Credited to profit and Loss account	7.64	-	0	-0.27	7.91
As at 31st March, 2021	133.43	25.79	8.21	23.54	142.67
(Charged)/Credited to profit and Loss account	0.42	(0.00)	0	(0.71)	1.12
As at 30th June, 2021	133.85	25.79	8.21	22.83	143.79

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

During the year/period, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of Rs. NIL as at June 30, 2021, Rs NIL as at March 31, 2021 Rs 1.33 lakhs as at March 31,2020 and Rs 14.49 lakhs as at March 31, 2019. The Company is reasonably not certain availing the said MAT Credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

Tax Credits carried forward	As at June 30,2021	Expiry date	As at March 31,2021	Expiry date	As at March 31,2020	Expiry date
2012-13	0	NA	0.67	31.03.2028	11.51	31.03.2028
2013-14	0	NA	6.00	31.03.2029	6.00	31.03.2029
2014-15	0	NA	3.26	31.03.2030	3.26	31.03.2030
2017-18	0	NA	4.80	31.03.2033	4.80	31.03.2033
2018-19	12.97	31.03.2034	14.49	31.03.2034	14.49	31.03.2034
2019-20	1.33	31.03.2035	1.33	31.03.2035	1.33	31.03.2035

Note 40

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years.
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Information relating to the Micro, Small and Medium Enterprises	As at 30.06.2021	As at 31.03.2021	As at 31.03.2020	As at 31.03.2019
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; (i) Principal amount (ii) Interest	-	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

Note 41

SEGMENT INFORMATION

The Company operates in three primary business segments viz. Manufacturing of Fabrics & Woven Sacks etc., Consignment Stockist and financing Activities. In terms of provisions of IND AS 108, Consignment Stockist and financing , presently, are not reportable segments

Secondary : Rs. in lakhs

GEOGRAPHICAL INFORMATION	June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Non Current Assets – Within India	1,552.99	1,484.44	1,381.41	1,392.71
– Outside India	-	-	-	-
Revenue from external customers – Within India	815.81	2,752.69	2,162.96	1,920.10
– Outside India	505.62	2,419.85	2491.88	2408.81

Note 42

The Company has elected not apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

Note 43

Balances of banks, sundry debtors and trade payables , current liabilities etc. are subject to confirmation and reconciliation.

Note 44

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

Note 45

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

Note 46

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 47

The financial statements were authorised for issue by the Board of Directors on

Note 48

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III, unless otherwise stated.

Note 49

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current year's Financial Statements .

The Notes referred to above form an integral part of the Restated Financial Statements.

As per our Report Attached

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

Signatures to the Restated Financial Statements and Notes

for and on behalf of the Board

ASAD DAUD
Managing Director
DIN: 02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

SAH POLYMERS LIMITED

Statement of Changes in equity

Equity Share Capital — Rs. in lakhs

	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
For the year ended on 31/03/2019	1559.60	0.00	1559.60
For the year ended on 31/03/2020	1559.60	0.00	1559.60
For the year ended on 31/03/2021	1559.60	0.00	1559.60
For the year ended on 30/06/2021	1559.60	0.00	1559.60

Other equity

	Reserves and Surplus				Total	Attributable to Parent	Non Controlling Interest	Total
	Amalgamation Adjustment Deficit Account	Securities premium	General Reserve	Retained earnings				
Balance at the beginning of the reporting period - 01/04/2018		280	79.75	(59.15)	300.6	300.6	-	300.6
Profit for the year				37.13	37.13	37.13	-	37.13
Issue of Equity Share					-	-	-	-
Balance at the end of the reporting period - 31/03/2019	0	280	79.75	(22.02)	337.73	337.73	-	337.73
Profit for the year				29.68	29.68	29.68	-	29.68
Issue of Equity Share					-	-	-	-
Balance at the end of the reporting period - 31/03/2020	-	280.00	79.75	7.66	367.41	367.41	-	367.41
On amalgamation of subsidiary company	(50.00)	-	-	4.13	(45.87)	(45.87)	-	(45.87)
Profit for the year	-	-	-	127.23	127.23	127.23	-	127.23
Issue of Equity Share	-	-	-	-	-	-	-	-
Balance at the end of the reporting period - 31/03/2021	(50.00)	280.00	79.75	139.02	448.77	448.77	-	448.77
Profit for the year	-	-	-	111.20	111.20	111.2	-	111.2
Balance at the end of the reporting period - 30/06/2021	(50.00)	280.00	79.75	250.22	559.97	559.97	-	559.97

For and on behalf of
AJAY PALIWAL &CO.
Chartered Accountants
FRN:12345C

Ajay Paliwal
Proprietor
M.No.403290
Place : Udaipur
Date : September 16, 2021
UDIN : 21403290AAAABA1657

ASAD DAUD
Managing Director
DIN:-02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN :- 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

DEBANSHU DEB
Company Secretary
M. No. 50778

OTHER FINANCIAL INFORMATION

For details on Other Financial Information please refer to " Restated Summary Statement of Accounting Ratios" beginning on page F-9 under chapter titled "Financial Statements" beginning on Page 164 of this Draft Red Herring Prospectus.

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CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at June 30, 2021, on the basis of our Restated Financial Statements and as adjusted for the Issue.

Particulars	Pre-Issue as at June 30, 2021 (Rs. In lakhs)	Post Issue
Borrowings		
Current Borrowing(A)	1240.87	[●]
Non-Current Borrowing (B)	89.67	[●]
Total Borrowings	**1330.54**	[●]
Shareholder's Funds		
Equity Share Capital	1559.60	[●]
Reserve and Surplus	560.35	[●]
Total Capital	**2119.95**	[●]
Non-Current Borrowing/Total Equity	0.04	[●]
Total Borrowings/ Total Equity	0.63	[●]

Notes:

1. *The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at June 30, 2021.*
2. *Long term Debts includes current maturities of long term debt (as shown in Other Current Liabilities).*
3. *Post Issue Capitalisation will be determined after finalization of Issue Price.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the period ended June 30, 2021 and for financial years ended March 31, 2021, 2020 and 2019 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 25 and 19, respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW:

We are an ISO 9001:2015 certified company, primarily engaged in manufacturing and exporting of Polypropylene (PP)/ High Density Polyethylene (HDPE) Woven Bags, BOPP Laminated Bags and Flexible Intermediate Bulk Containers (FIBCs) HDPE/PP woven fabrics/sacks varying different weight and sizes printed in multi colors as per the requirements of the customers. We cater to cement, Fertilizers, textiles, Food Grains, chemical ,industry . With an experience of more than three decades in the industry, our company has grown to be an institution that supplies and exports bags to over 5 countries across the globe. We offer a diverse portfolio of customised bulk packaging solutions. We believe that our ability to meet stringent quality, introduce designs to meet evolving customer preferences and upgrade in-house processes to increase efficiencies have enabled us to establish in FIBC packaging industry. Various range of our products includes, Circular Type with Cross Corner / Corner Loops, Upanel / 4 Panel Bags, Baffle Bag, Conical Top / Bottom Bag, 4 loop bag, UN bags, Sift Proof bags. Our company is a Del – Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited for polymer trading and is also operating as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their Polymer division.

Domestically for sales of Fabric and Bags, we have presence in 8 states based on sales made during FY 2021 and internationally we supply products in over 5 countries including Africa, Australia, Europe, Middle East and Caribbean. For the three months ended June 30, 2021 and for Fiscals 2021, 2020 and 2019 our revenue from exports contributed 36.34%, 43.94%,50.75% and 53.31%, respectively of our revenue from operations.

We have one manufacturing facility which is located at, Udaipur over 8000 sq. mt. area. Over the years, we have made investments in our manufacturing infrastructure to support our product portfolio requirements and reach.

Our Company is promoted by SAT Industries Limited which is listed on BSE Ltd.

For the three months ended June 31,2021 and for Fiscals 2021, 2020 and 2019, our revenue from operations was ₹ 1391.49 lakhs , ₹ 5506.99 lakhs, 4910.07 lakhs and ₹ 4518.44 lakh, respectively, growing at a CAGR of 10.4% between Fiscal 2019 and Fiscal 2021. Our EBITDA three months ended June 31,2021 and for Fiscals 2021, 2020 and 2019 was ₹ 169.09 Lakhs , ₹ 302.28 Lakhs, ₹ 180.42 Lakhs and ₹207.64 Lakhs respectively, growing at a CAGR of 20.66% between Fiscal 2019 and Fiscal 2021, while our profit after tax for three months ended June 31,2021 and for Fiscals 2021, 2020 and 2019 was ₹ 111.2 Lakhs , ₹ 127.23 Lakhs, ₹ 29.68 Lakhs and ₹ 37.14 Lakhs respectively, growing at a CAGR of 85.09% between Fiscal 2019 and Fiscal 2021.

For, further details regarding risk involved in Business of the Company and risk in relation to the Issue, refer to chapter titled "*Risk Factor*" and "*Our Business*" beginning on page **25** and **116** of this Draft Red Herring Prospectus.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as mentioned below:

1. The Board approved and passed resolution on August 21, 2021, to raise funds by making Initial Public Offering.
2. The shareholders approved and passed special resolution on September 13, to authorize the Board of Directors to raise funds by making Initial Public Offering.

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 25 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Volatility in supply and pricing of raw material;
- Outbreak of Covid-19;
- Default or delay in payment from customers;
- Changes in laws, rules & regulations and legal uncertainties;
- Pricing pressures from the competitive business environment;
- Economic and Demographic condition.

SIGNIFICANT ACCOUNTING POLICIES

1. Use of Estimates

The preparation of Restated Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

2. Accounting Assumptions:-

(i) Going Concern:-

The enterprise is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. It is assumed that the enterprise has neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations.

(ii) Consistency:-

It is assumed that accounting policies are consistent from one period to another.

(iii) Accrual:-

Revenues and costs are accrued, that is, recognized as they are earned or incurred (and not as money is received or paid) and recorded in the financial statements of the periods to which they relate. (The considerations affecting the process of matching costs with revenues under the accrual assumption are not dealt with in this Statement.)

3. Valuation of Inventories

Stock of Finished goods are valued at lower of Cost of material consumed plus manufacturing expenses

incidental there to or market value. Scrap is valued lower at cost or market value.

4. Cash Flow Statements

Cash flows are reported using the indirect method as set out in Ind As-3 on cash flow statement issued by the Institute of Chartered accountants of India.

5. Depreciation and Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

6. Revenue Recognition

- Revenue is recognized to the extent it is possible that economic benefits will flow to the company and the revenue can be reliably measured and there is a reasonable certainty regarding ultimate collection.
- Revenue from sale of materials/ products is recognized on transfer of all significant risks and rewards of ownership of the goods to the customers, which generally coincides with the dispatch of goods. Sales are stated exclusive of GST/ VAT, trade discounts and sales returns.
- Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists.

7. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable to cost of bringing the asset to its working condition for its intended use. Expenditure on addition, improvements and renewals is capitalized and expenditure for maintenance and repair is charged to Profit and Loss account.

8. Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding at the end of the year. Diluted earnings per share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity share outstanding at the end of the year.

9. Taxes on Income

Tax expenses comprise of current and deferred tax

Current tax is measured at the amount expected to be paid on the basis of relief and deductions available in accordance with the provisions of Indian Income Tax Act, 1961 and includes Minimum Alternate Tax ("MAT") paid by the company on book profits in accordance with the provisions of the Income Tax Act, 1961. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period and will be able to set off such MAT credit entitlement.

Deferred income tax reflects the impact of the current year reversible timing differences between the taxable income and accounting income for the Year and reversal of timing differences of the earlier Year. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In FY 2019-20 and onwards, in pursuant to section 115BAA of the Income Tax Act,1961 announced by Government of India through Taxation Law (Amendment) Bill,2019, the company has as irrevocable option of shifting to lower tax rates along with consequent reduction in certain tax incentives including lapse of accumulated MAT Credit.

10.Impairment of Assets:

An Asset is considered as impaired in accordance with Ind AS -36 "Impairment of Assets" when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the assets belongs, exceeds its recoverable amount (i.e. the higher of the assets net selling price and value in use). In assessing the value in use, the estimated future cash flows expected from the continuing use of asset and from its ultimate disposal are discounted to their present values using a predetermined discount rate. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the profit and loss account.

11.Provision of Contingent Liabilities

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements. **Retirement benefits to employee Gratuity:-**

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company has not contributes all ascertained liabilities to any fund. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, 'Employee Benefits'. The Company's overall expected long- term rate-of-return on assets has been determined based on consideration of available market information, current provisions of Indian law specifying the instruments in which investments can be made, and historical returns. The discount rate is based on the Government securities yield. Actuarial gain and loss arising from

12.Government Grant

Government Grants are recognized when there is a reasonable assurance that the same will be received. Revenue grants are recognized in the Statement of Profit and Loss. Capital grants relating to specific fixed assets are reduced from the gross value of the respective Fixed Assets. Other capital grants are credited to Capital Reserve.

13.Current Assets, Loans and Advances

The balance under item of Sundry Debtors, Loans and Advances and Current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However in the opinion of the Management, the realizable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of revenue from Manufactured goods such as HDPE and LDPE Bags, traded goods, Job work, Commission- DCA and lease rent and interest income.

Other Income: Our other income comprises of Rent, Interest on financial assets on amortised cost, Miscellaneous income and Foreign Exchange Fluctuation.

Expenses

Our expenses comprise of cost of materials consumed, purchase of stock-in-trade, Changes in inventories of finished goods, work-in-progress and Stock -in-Trade, employee benefits expense, finance costs, depreciation & amortisation expense and other expenses.

Cost of material consumed: Cost of material consumed primarily consists of Purchases in HDPE, LDPE and Color Chemicals

Purchase of stock in trade: Purchase of stock in trade includes trade of goods in raw materials.

Changes in Inventories of Finished goods and Work in Progress: Changes in inventories of finished goods and work in progress consist of changes in our inventory of finished goods, packing material, stores & consumables as at the beginning and end of the year.

Employee benefit expense: Our employee benefit expenses include salaries, wages and bonus, contribution to provident fund and other funds such as ESIC, gratuity and staff welfare expenses.

Finance costs: Our finance costs comprise of interest on borrowings, Interest on income Tax, Foreign exchange fluctuation on credit facility and Other borrowing costs - Processing Charges

Depreciation & Amortisation expenses: Depreciation & amortisation expenses comprise of depreciation on tangible fixed assets and amortisation on intangible assets.

Other expenses: Our other expenses consist of Direct and Indirect expenses. Our direct Expenses include Bag Prinitng Expenses, Bag Stitching expenses, electricity and power, fabric weaving expenses, printing and INK, Sorting and our indirect expenses include Advertise and publicity, Bad Debts, Bank Commission and charges, Books & Periodicals, Brokerage & commission charges, Carriage Outward, Charity and Donations, Commission on sales, Consultancy, Consumption of stores and spare parts, Festival Expenses, Diwali Expense, Domain Name Registration, Early Payment incentive expenses, Economic Rent & Service Charges, , Export Freight , Insurance & other Expenses, Fees & Taxes, Fuel & Lubricant, Godown Rent, Inspection Charges of bags, Inter Unit trasit Expense, Insurance Charges, Transport Expenses, Job charges, Lease Rent, Legal & Professional Expense, Loss on sale of property, plant & equipment, Miscellaneous Expenses, Packing Materials Payment to Auditors: (i) as Audit Fee (ii) for reimbursement of expenses, Postage & Telegram, Rating Charges, Rebate, Claim & Discounts Repairs & Maintenance (Others) Sales Promotion Exp. Sales Tax Demand, Staff training expenses, Software Consultancy, Software Expenses, Sorting and counting charges, Stationery & Printing, Subscription & Membership, Telephone and Mobile, Trade Mark registration expenses, Travelling Expenses, Vehicle Running & Maintenance Expenses, Warehouse Management charges and Water Expenses.

Our Results of Operations

The following table sets forth selective financial data from our restated financial statement of profit & loss for the period ended June 30, 2021 and for the financial years ended March 31, 2021, 2020 and 2019 the components of which are also expressed as a percentage of total revenue for such periods:

(₹ in Lakhs)

Particulars	**For the Period ended June 30, 2021**		**For the Year ended March 31, 2021**		**For the Year ended March 31, 2020**		**For the Year ended March 31, 2019**	
	₹ in Lakhs	**(%) ***	**₹ in Lakhs**	**(%) ***	**₹ in Lakhs**	**(%) ***	**₹ in Lakhs**	**(%) ***
Income:								
Revenue from operations	1391.49	97.93	5506.99	99.50	4910.07	98.38	4518.44	99.06
Other income	29.41	2.07	27.43	0.23	80.89	1.62	42.74	0.94
Total Revenue	**1420.9**	**100**	**5534.42**	**100**	**4990.96**	**100**	**4561.17**	**100**
Expenses:								
Cost of material consumed	1077.22	75.81	3120.50	56.38	3153.63	63.19	2961.28	64.92

Particulars	For the Period ended June 30, 2021		For the Year ended March 31, 2021		For the Year ended March 31, 2020		For the Year ended March 31, 2019	
	₹ in Lakhs	(%) *	₹ in Lakhs	(%) *	₹ in Lakhs	(%) *	₹ in Lakhs	(%) *
Changes in Inventory	-201.74	-14.20	56.42	1.02	5.05	0.10	237.57	5.21
Employee benefit expenses	63.47	4.47	223.75	4.04	215.86	4.33	205.30	4.50
Finance costs	31.02	2.18	86.94	1.57	133.36	2.67	104.27	2.29
Depreciation & amortization expenses	20.44	1.44	80.56	1.46	76.50	1.53	71.18	1.56
Other expenses	258.88	18.22	1129.48	20.41	1171.41	23.47	899.11	19.71
Total Expenses	**1286.07**	**90.51**	**5372.21**	**97.07**	**4939.51**	**98.97**	**4486.25**	**98.36**
Profit before exceptional and taxes	**134.83**	**9.49**	**162.21**	**2.93**	**51.45**	**1.03**	**74.92**	**1.64**
Exceptional Items	-	-	-	-	-	-	-	-
Profit before tax	**134.83**	**9.49**	**162.21**	**2.93**	**51.45**	**1.03**	**74.92**	**1.64**
Tax expense :				0.00		0.00		0.00
(i) Current tax	22.51	1.58	27.07	0.49	8.18	0.16	14.48	0.32
(ii) Deferred tax	1.12	0.08	7.91	0.14	13.59	0.27	23.31	0.51
Total Tax Expense	**23.63**	**1.66**	**34.98**	**0.63**	**21.77**	**0.44**	**37.79**	**0.83**
Profit for the year	**111.2**	**7.83**	**127.23**	**2.30**	**29.68**	**0.59**	**37.13**	**0.81**

**** (%)** column represents percentage of total revenue.*

Review of Operations for the period ended June 30, 2021

Total Revenue

Our total revenue amounted to ₹ 1420.90 lakhs for the period ended June 30, 2021 which is on account of revenue from operations and other income as described below:

Revenue from operations:

Our revenue from operations was ₹ 1391.49 lakhs which was 97.93% of the total revenue for the period ended June 30, 2021. The revenue from operations was on account of sales of Manufactured goods which includes HDPEC and LDPE bags of ₹ 1284.52 lakhs which is 92.31% of total operating revenue while income from trade goods in Raw material is ₹ 36.91 lakhs accounts for 2.65% of total operating revenue. Total income from sales of services which includes Jobwork, commission and Lease rent was ₹ 44.87 lakhs which is 3.22% of our total operating revenue and the interest from business income earned was Rs. 25.19 lakhs which is 1.81%. We engage in continuous manufacturing of new varieties based on the orders of our customers to keep up with the trends and meet our customer requirements

Other income:

Our other income amounted to ₹ 29.41 lakhs which is 2.07% of our total revenue for the period ended June 30, 2020. Our other income comprise of Rental income of ₹ 0.12 lakhs, Interest on Interest on financial assets on amortised cost ₹ 0.63 lakhs, Miscellaneous income of ₹ 12.31 lakhs and Foreign Exchange Fluctuation of ₹ 16.35 lakhs.

Expenses

Our total expenses, excluding tax amounted to ₹ 1286.07 lakhs for the period ended June 30, 2021 which is 90.51% of our total revenue.

Cost of material consumed:

Our cost of material consumed was ₹ 1077.22 lakhs which is 75.81% of the total revenue for the period ended June 30, 2021. Our cost of material consumed was primarily on account of purchase of HDPE, LDPE and Color Chemicals.

Changes in Inventories of Finished goods and Work in Progress

Our changes in inventories of finished goods and work in progress was ₹(201.74 lakhs which was 14.20% of our total revenue for the period ended June 30, 2021. It was on account of higher level of closing stock at the end of the year.

Employee benefits expense:

Our employee benefits expense was ₹ 63.47 lakhs which was 4.47 % of our total revenue for the period ended June 30, 2021. Our employee benefit expenses primarily consist of salaries & wages of ₹ 55.87 lakhs, contribution to provident fund and other funds of ₹ 2.89 lakhs, gratuity expenses of ₹ 2.72 lakhs, staff welfare expenses of ₹ 1.99 lakhs

Finance Costs:

Our finance costs was ₹ 31.02 lakhs which was 2.18% of our total revenue for the period ended June 30, 2021 which accounts to Interest on borrowings such as cash credit facilities and term loan availed by the company

Depreciation & Amortization:

Our depreciation & amortization expenses were ₹ 20.44 lakhs which was 1.44% of our total revenue for the period ended June 30, 2021.

Other Expenses:

Our other expenses was ₹ 258.88 lakhs which was 18.22% of our total revenue for the period ended June 30, 2021. Our expenses majorly comprise of direct expenses of ₹ 140.61 lakhs and indirect expenses of ₹ 118.27 lakhs. Our direct expenses majorly comprise of Bag stitching expense of ₹ 20.35 lakhs, electric and power expense of ₹ 71.05 lakhs, fabric weaving expense of ₹ 20.16 lakhs. Our indirect expenses comprises of Carriage Outward of Rs. 9.48 lakhs, commission on sales of ₹ 10.71 lakhs, Export Freight , Insurance & other Expenses of Rs. 46. 79 lakhs, Repairs & Maintenance (Others) of Rs. 8.02 lakhs.

Profit before tax:

Our profit before tax was ₹ 134.83 lakhs which was 9.49 % of our total revenue for the period ended June 30, 2021.

Tax expenses

Our tax expense for the period ended June 30, 2021 was ₹ 23.63 lakhs which is 1.66% of our total revenue for the period ended June 30, 2021. It was on account of deferred tax.

Profit after tax

Due to the above mentioned reasons, our profit after tax was ₹ 111.20 lakhs which is 7.83% of our total revenue for the period ended June 30, 2021.

FINANCIAL YEAR 2020-21 COMPARED WITH FINANCIAL YEAR 2019-20

Total Revenue

Our total revenue increased by 10 % to ₹ 5534.42 lakhs for the financial year 2020-21 from ₹ 4990.95 lakhs for the financial year 2019-20 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 12.16 % to ₹ 5,506.99 lakhs for the financial year 2020-21 from ₹ 4,910.07 lakhs for the financial year 2019-20 mainly due to increase in sale of manufactured goods by ₹ 30.90 lakhs such increase was pursuant to to increase in the business from exsiting customer and additions of new customers, increase in trade of goods in raw materials by ₹ 486.99 lakhs, increase in sale of services such as Jobwork by ₹ 107.68 lakhs, which was partially offset by decrease in sale of service in reference to Commission DCA by ₹ 4.54 lakhs, decrease in business interest income by 8.30 lakhs and decrease in export incentive by ₹ 19.25 lakhs such decrease was impacted by Covid 19-Pandemic and due to lockdown. .

Other income: Our other income decreased by 66.09% to ₹ 27.43 lakhs for the financial year 2020-21 from ₹80.89 lakhs for the financial year 2019-20 mainly because of decrease in Foreign Exchange Fluctuation of ₹ 49.36 lakhs.

Total Expenses

Our total expenses increased by 8.76% to ₹ 5372.21 lakhs for the financial year 2020-21 from ₹ 4939.51lakhs for the financial year 2019-20, due to the factors described below:

Cost of material consumed: The cost of material consumed for the financial year 2020-21 was ₹ 3120.5 lakhs which has decreased by 1.05% as compared to ₹ 3153.63 lakhs in financial year 2019-20. The decrease in cost of material consumed of HDPE and LDPE was in line with decrease in the prices of crude oil.

Purchases of Stock-in-Trade: the purchases of stock in trade increased to 674.56 lakhs in FY 2020- 2021 from 183.7 lakhs resulting to change by 267.21% due to sale of raw materials to other parties

Changes in Inventories of Finished goods: Our changes in inventory of finished goods increased by 1017.23% to ₹ 56.42 lakhs in financial year 2020-2021 from ₹ 5.05 lakhs in financial year 2019-2020. This was primarily due to higher level of closing stock at end of financial year 2020-2021 compared to financial year 2019-2020.

Employee benefits expenses: Our employee benefit expenses increased by 3.66 % to ₹ 223.75 lakhs for the financial year 2020-21 from ₹ 215.86 lakhs for the financial year 2019-20. The increase was mainly on account of increase in gratuity by ₹ 5.42 lakhs and increase in staff welfare expenses by ₹ 5.19 lakhs. However, this increase was partially offset by decrease in Salaries, wages and bonus and Contribution to provident and other funds by ₹ 2.53 lakhs and 0.19 lakhs respectively.

Finance costs: Our finance costs decreased by 34.80 % to ₹ 86.94 lakhs for the financial year 2020-21 from ₹ 133.36 lakhs for the financial year 2019-20. Decrease interest of borrowings and decrease in Foreign exchange fluctuation on credit facility by 0.95 lakhs and 19.10 lakhs respectively.

Depreciation & amortization expense: Our depreciation & amortization expense increased by 5.31% to ₹ 80.56 lakhs for the financial year 2020-21 from ₹ 76.5 lakhs for the financial year 2019-20. Net addition to depreciable gross block was 222.13 lakhs for financial year 2020-21 and ₹ 84.74 lakhs in the financial year 2019-20.

Other expenses: Our other expenses decreased by 3.57% to ₹ 1129.48.00 lakhs for the financial year 2020-21 from ₹ 1171.41 lakhs for the financial year 2019-20. The decrease was on account of decrease in indirect expense majorly in consultancy charges by ₹ 33.04 lakhs, Consumption of stores and spare parts by ₹ 20.15 lakhs, Export Freight, Insurance & other Expenses by ₹ 29.81 lakhs, Sales Promotion Exp. By ₹ 23.80 lakhs, etc. in the financial year 2019-2020 in comparison to 2020-2021

Profit before taxes: Our profit before taxes increased by 215.29% to ₹ 162.21 lakhs for the financial year 2020-21 from ₹ 51.44 lakhs for the financial year 2019-20. The increase in profits was on account of increase in overall revenue of the organization. The overall profitability margins of the company have been improved in the financial year 2020-21 as compare to financial year 2019-20.The PBT to total revenue was 2.93% for financial year 2020-21 and 1.03% for financial year 2019-20.

Tax expenses: Our tax expenses increased by 60.68% to ₹ 34.98 lakhs for the financial year 2020-21 from ₹ 21.77 lakhs for the financial year 2019-20 due to the increase in deferred tax expense.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 328.70% to ₹ 127.23 lakhs for the financial year 2020-21 from ₹ 29.67 lakhs for the financial year 2019-20.

FINANCIAL YEAR 2019-20 COMPARED WITH FINANCIAL YEAR 2018-19

Total Revenue

Our total revenue increased by 9.42% to ₹ 4990.95 lakhs for the financial year 2019-20 from ₹ 4,561.17 lakhs for the financial year 2018-19 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 8.67% to ₹ 4,910.07 lakhs for the financial year 2019-20 from ₹ 4518.44 lakhs for the financial year 2018-19 mainly due to increase in revenue from the existing customers and new customers by ₹ 391.63 lakhs.
Other income: Our other income increased by 89.28% to ₹ 80.89 lakhs for the financial year 2019-20 from ₹ 42.74 lakhs for the financial year 2018-19 mainly because of increase in Foreign Exchange Fluctuation by ₹ 39.20 lakhs.

Total Expenses

Our total expenses increased by 10.10% to ₹ 4939.51 lakhs for the financial year 2019-20 from ₹ 4486.25 lakhs for the financial year 2018-19, due to the factors described below:

Cost of material consumed: Our cost of material consumed increased by 6.50% to ₹ 2961.28 lakhs for the financial year 2019-20 from ₹ 3153.63 lakhs for the financial year 2018-19. The increase was in line with the increase in overall revenue of the company.

Purchases of Stock-in-Trade: our Purchases of Stock-in-Trade increased by 2336.34% to 183.7 lakhs from 7.54 lakhs from 2018-19 to 2019-20 due to increase in trading of raw materials.

Changes in Inventories of Finished goods and Work in Progress: Our changes in inventory of finished goods, work in progress and stock -in-trade reduced by 97.87% to ₹ 5.05 lakhs in financial year 2019-20 from ₹ 237.57 lakhs in financial year 2018-19.

Employee benefits expenses: Our employee benefit expenses increased by 5.14% to ₹ 215.86 lakhs for the financial year 2019-20 from ₹ 205.3 lakhs for the financial year 2018-19. The increase was mainly due to increase in salaries & wages by ₹ 10.87 lakhs,

Finance costs: Our finance costs increased by 27.89% to ₹ 133.36 lakhs for the financial year 2019-20 from ₹ 104.27 lakhs for the financial year 2018-19. Increase in our finance cost was primarily due to additional expense of Foreign exchange fluctuation on credit facility of Rs. 19.50 lakhs in the financial year 2019-20 which was partially offset by decrease in other borrowing costs – processing charges by ₹ 2.50 lakhs.

Depreciation & amortization expense: Our depreciation & amortization expense increased by 7.47 % to ₹ 76.50 lakhs for the financial year 2019-20 from ₹ 71.18 lakhs for the financial year 2018-19. Net addition to gross block was ₹ 84.74 lakhs for financial year 2019-20 as compared to ₹ 71.65 lakhs for the financial year 2018-19.

Other expenses: Our other expenses increased by 30.29% to ₹ 1171.41 lakhs for the financial year 2019-20 from ₹ 899.11 lakhs for the financial year 2018-19. The increase was on account of increase in direct expense majorly in Bag Printing Expenses by ₹ 45.78 lakhs and on account of indirect expenses which was majorly in Bank commission and charges by ₹ 47.20 lakhs, in consultancy charges by ₹ 41.67 lakhs, Export, freight , insurance and other expenses by ₹ 36.46 lakhs in the financial year 2019-2020 in comparison to 2020-2021.

Profit before taxes: Our profit before taxes decreased by 31.33% to ₹ 51.44 lakhs for the financial year 2019-20 from ₹ 74.92 lakhs for the financial year 2019-20. The decrease in profit was in line with decrease in overall revenue of the company and also on account high purchases of stock in trade.

Tax expenses: Our tax expenses decreased by 42.39 % to ₹ 21.77 lakhs for the financial year 2019-20 from ₹ 37.79 lakhs for the financial year 2018-19 mainly due to decrease in deferred tax expense by ₹ 16.02 for the financial year 2019-20 compared to financial year 2018-19.

Profit after tax: Due to reasons mentioned above, our profit after tax decreased by 20.08 % to ₹ 29.68 lakhs for the financial year 2019-20 from ₹ 37.13 lakhs for the financial year 2018-19.

Other Key Ratios

Particulars	For the period ended June 30, 2021*	For the year ended March 31,		
		2021	2020	2019
Fixed Asset Turnover Ratio	0.98	4.09	3.88	3.60
Debt Equity Ratio	0.85	0.88	0.67	0.72
Current Ratio	1.42	1.42	1.43	1.38
Inventory Turnover Ratio	1.66	5.51	5.53	4.29

**Not Annualized*

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Total property, plant & equipment does not include capital work-in-progress.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by closing inventories, based on Restated Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the period ended June 30, 2021 and for the financial years 2021, 2020 and 2019:

(₹ in lakhs)

Particulars	For the Period ended June 30, 2021	For year ended March 31,		
		2021	2020	2019
Net cash flow generated from/ (utilized in) operating activities (A)	(72.19)	142.23	263.33	332.07
Net cash flow utilized in investing activities (B)	(21.92)	(236.37)	(87.30)	(97.26)
Net cash flow generated from/ (utilized in) financing activities (C)	(15.62)	85.71	(166.32)	(161.43)
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	(109.73)	(8.43)	9.71	73.38
Cash and cash equivalents at the beginning of the period/ year	194.30	50.20	152.41	76.15
Cash and cash equivalents at the end of the period/ year	20.48	194.30	104.32	152.41

Operating Activities

For the period ended June 30, 2021

Our net cash used from operating activities was ₹ 72.19 lakhs for period ended June 30, 2020. Our operating profit before working capital changes was ₹ 189.01 lakhs for three months ended June 30, 2021 which was primarily adjusted by depreciation of ₹ 20.44 lakhs, payment of interest of ₹ 31.02 lakhs, provisions of gratuity of ₹ 2.72 lakhs, decrease in trade receivables by ₹ 85.01 increase in other current liabilities and provisions of ₹55.10 lakhs, increase in loan by ₹ 294.44 lakhs, other bank balances of ₹ 45.63 lakhs, Increase in trade payables by ₹ 62.69lakhs, increase in other non current assets by ₹ 16.78 lakhs, increase in non current financial assets of

₹50.29 Lakh, decrease in other current assets of 8.21 lakhs, increase in stock of ₹ 154.71 lakhs, income tax refund off ₹ 1.62 lakhs.

Financial year 2020-21

Our net cash generated from operating activities was ₹ 142.23 lakhs for the financial year 2020-21. Our operating profit before working capital changes was ₹ 328.54 lakhs for the financial year 2020-21 which was primarily adjusted for depreciation of ₹ 80.56 lakhs payment of Interest of ₹ 82.25 lakhs and loss on sale of property of ₹ 3.52 lakhs, increase in trade receivables of ₹69.42 lakhs, Increase in other current liabilities and provision by₹ 77.66 lakhs, increase in financial liabilities of ₹ 75.47 lakhs, increase in loan by ₹ 82 lakhs, other bank balances of ₹ 15 lakhs, decrease in trade payables of ₹ 107.14 lakhs, decrease in non current assets of ₹ 7.53 lakhs, increase in non current financial assets of ₹ 3.81 lakhs, increase in other current assets by ₹ 241.36 lakhs, increase in tax assets by ₹ 1.79 lakhs, by increase in stock of ₹ 10.80 lakhs, income tax refund of ₹ 9.85 lakhs

Financial year 2019-20

Our net cash generated from operating activities was ₹ 263.33 lakhs for the financial year 2019-20. Our operating profit before working capital changes was ₹ 262.10 lakhs for the financial year 2019-20 which was primarily adjusted depreciation of ₹ 76.50 lakhs, payment of Interest of ₹ 133.36 lakhs, by provisions of leave encashment of 0.79 lakhs, increase in trade receivables of ₹ 25. 91 lakhs, decrease in financial liabilities of ₹ 62.50 lakhs, increase in other current liabilities and provisions of ₹ 27.41 lakhs, decrease in financial assets by ₹ 82 lakhs, increase in trade payables by ₹ 51.06 lakhs, increase in other non current assets by ₹ 3.19 lakhs, increase in non current financial assets of ₹ 32.29 lakhs, decrease in other current assets by ₹ 102.37 lakhs, increase in tax assets by ₹ 25.29 lakhs, decrease in stock by ₹ 18.09 lakhs and refund of Income tax amount of ₹ 17.10 lakhs.

Financial year 2018-2019

Our net cash generated from operating activities was ₹ 332.07 lakhs for the financial year 2018-19. Our operating profit before working capital changes was ₹ 260.00 lakhs for the financial year 2018-19 which was primarily adjusted by of depreciation of ₹ 71.18 lakhs, payment of Interest of ₹ 98.92 lakhs, loss on sale of property, plant and equipment of ₹ 14.51 lakhs, by provisions of leave encashment of 0.47 lakhs, increase in trade receivables of ₹ 444.38 lakhs, increase in financial liabilities of ₹ 478.22 lakhs, decrease in other current liabilities and provisions of ₹ 111.57 lakhs, increase in financial assets by ₹ 2.03 lakhs, increase in trade payables by ₹ 128.72 lakhs, decrease in other non-current assets by ₹ 9.45 lakhs, increase in other current assets by ₹ 203.92 lakhs, decrease in stock by ₹ 221.41 lakhs and refund of Income tax amount of ₹ 7.89 lakhs.

Investing Activities

For the period ended June 30, 2021

Net cash used in investing activities was ₹ 21.92 lakhs for the period ended June 30, 2021. This was primarily on account of purchase of fixed assets amounting to ₹ 0.94 lakhs and work in progress of ₹ 20.98 lakhs.

Financial year 2020-21

Net cash used in investing activities was ₹ 236.37 lakhs for the financial year 2020-21. This was primarily on account of purchase of fixed assets of ₹ 235.22 lakhs and ₹ 1.75 lakhs towards working progress which was partially offset by sale of fixed assets amounting to ₹ 0.60 lakhs

Financial year 2019-20

Net cash used in investing activities was ₹ 87.30 lakhs for the financial year 2019-20. This was primarily on account of purchase of fixed assets amounting to ₹ 87.30 lakhs

Financial year 2018-19

Net cash used in investing activities was ₹ 97.26 lakhs for the financial year 2018-19. This was basically on account of purchase of fixed assets amounting to ₹ 106.65 lakhs which was partially offset by sale of fixed assets of ₹ 9.39 lakhs.

Financing Activities

For the period ended June 30, 2021

Net cash used in financing activities for the *period ended June 30, 2021* was ₹ 15.62 lakhs. This was primarily on account of interest paid of ₹ 31.02lakhs which was partially offset by increase in borrowings by ₹ 15.40 lakhs.

Financial year 2020-21

Net cash generated in financing activities for the financial year 2020-21 was ₹ 85.71 lakhs. This was primarily on account of repayment of borrowings of ₹ 89.67 lakhs, increase in borrowing of ₹ 78.29 lakhs, interest paid of ₹ 82.25 lakhs.

Financial year 2019-20

Net cash used in financing activities for the financial year 2019-20 was ₹ 166.32 lakhs. This was primarily on account of repayment of borrowings of ₹ 32.96 and interest paid of ₹ 133.36 lakhs..

Financial year 2017-18

Net cash used in financing activities for the financial year 2018-19 was ₹ 161.43 lakhs. This was primarily on account of repayment of loan of ₹ 62.51 lakhs and interest paid of ₹ 98.92 lakhs

Financial Indebtedness

As on June 30, 2021 the total outstanding borrowings of our Company is ₹ 1,330.54 lakhs which included long-term borrowings of ₹ 89.67 lakhs, short term borrowings of ₹ 1180.53 lakhs and current maturities of long term debt of ₹ 60.34 lakhs. For further details, refer chapter titled *"Financial Indebtedness"* beginning on page 182 of this Draft Red Herring Prospectus.

(₹ in lakhs)

Particulars	As at June 30, 2021
Long Term Borrowings (A)	
Secured Loans	
- From Banks & Financial Institution	89.67
Sub Total (A)	
Short Term Borrowings (B)	89.67
Secured and unsecured loan	1180.53
Sub Total (B)	1180.53
Current Maturities of Long Term Borrowings (C)	60.34
Total (A)+(B)+(C)	1330.54

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, consultancy received, interest paid, purchase & sale of goods, loans & deposits taken & paid, advance to suppliers and Issue of Equity Shares. For further details of such related parties under Ind AS 24, refer chapter titled *"Financial Statements"* beginning on page 164 of this Draft Red Herring Prospectus.

Contingent Liabilities

The following table sets forth our contingent liabilities as of As at June 30, 2021 and for the Financial year 2020-21 as per Restated Financial Statement:

(₹ In Lakhs)

Particulars	As at June 30, 2021	For the Financial Year ended as on March 31, 2021
Tax Matters	3.93	3.93

Particulars	As at June 30, 2021	For the Financial Year ended as on March 31, 2021
Bank Guarantee issued not acknowledged as debts	407.65	407.65
Total	411.58	411.58

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above pending resolutions of the respective proceedings. For further details, refer chapter titled *"Financial Statements"* beginning on page 164 of this Draft Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled *"Financial Statements"* beginning on page 164 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled *"Financial Statements"* beginning on page 164 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled *"Risk Factors"* beginning on page 25 of this Draft Red Herring Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled *"Risk Factors"* beginning on page 25 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled *"Risk Factors"* beginning on page 25 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part *"Financial Year 2020-21 compared with financial year* 2019-20 and Financial Year 2019-20 Compared With Financial Year 2018-19" above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our company works under single reportable Industry segment.

Competitive Conditions

We have competition with Indian and international manufacturers & traders and our results of operations could be affected by competition in the polymers sector in India. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 25 of this Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under "*Significant Factors Affecting Our Results of Operations"* and chapter titled "*Risk Factors"* beginning on page 25 of this Draft Red Herring Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company's customers and suppliers *vis a vis* the revenue from operations and raw materials purchase respectively for the period ended on June 30, 2020 and for the financial year ended as on March 31, 2021 based on Restated Financial Statement are as follows:

Particulars	Suppliers		Customers	
	As at June 30, 2021	As on March 31, 2021	As at June 30, 2021	As on March 31, 2021
Top 5 (%)	43.94	88.16	66.31	73.68
Top 10 (%)	56.43	99.08	97.96	96.50

Seasonality of Business

The nature of our business is not seasonal. For further details please refer chapter titled "*Risk Factors"* beginning on page 25 of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Our company avail credit facilities in the ordinary course of our business. Pursuant to our Articles of Association, subject to applicable law the board may from time to time at its discretion raise or borrow, either from the directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the company; by a resolution of the board, or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the board shall not without the requisite sanction of the company in general meeting borrow any sum of money which together with money borrowed by the company(apart from temporary loans obtained from the company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the company and its free reserves. Further, pursuant to a special resolution passed in the extra-ordinary general meeting of our company held on June 30, 2021 the board of directors has been authorised to borrow money in excess of the aggregate of the paid up share capital and free reserves of the company, provided that the total amount borrowed and outstanding at any point of time (apart from temporary loans obtained or to be obtained from the company's banker in the ordinary course of business) shall not exceed the sum of 50,000 lakhs (Rs. Fifty thousand lakhs only) As on June 30, 2021 we have outstanding borrowings of Rs 1,330.54 lakhs. Set forth below is a brief summary of our aggregate outstanding borrowings.

Secured Borrowings

A. Borrowings from UCO Bank Limited as per sanction letter dated April 30, 2020, October 31, 2020, and June 18, 2020.

Nature of facility	Sanctioned Limits (₹ In lakhs)	Rate of interest/ Commission	Tenor/ valid upto	Outstanding as on June 30, 2021 (₹ In lakhs)
Fund Based limits				
Cash Credit Limit	700.00	9.45%	Repayable on demand	623.53
UCO Covid-19 Emergency credit line (UCECL) (b)	70.00	7.30%	24 months	39.55
WC Term Loan –Under Government emergency credit line (GECL) (c)*	114.00	7.50%	48 months	110.45
Non Fund Based limits				
Guarantees undertaking pecuniary liabilities	520.00	Commission for performance Bank Guarantee (BG) is 2.06% and for financial BG is 3.10%	1crore -01.01.2022 3crore -21.11.2021 1crore- 06.11.2021	500.00*
Total	1404.00			

***Issue of Bank Guarantee of Rs. 500 lacs to Indian Oil Corporation Limited**

SECURITY DETAILS:

Primary Security
Hypothecation over entire Fixed Assets (other than Factory Land & Building) and current assets (both Present & future).
Collateral Security
Land & building situated at Plot No. E-260-261, Mewar Industrial Area, Madri, Opp. Udaipur chamber of comm. and Industry, Madri, Udaipur-313003 Market Value (As per the valuation details mentioned in the sanction letter dated June 18, 2020):- First Valuation:- Rs. 726.77 lakhs Second Valuation:- Rs. 702.42 lakhs

Personal Guarantee
Personal guarantee by Mr. Asad Daud, Managing Director of the Company.
Specific Covenants
1. No diversion of funds from the accounts for the purpose other than which was approved 2. Records such as pre/post sales, inflow of stock & book debts, bill/vouchers if applicable should be available/provided for audit 3. CIBIL/CRIF charges to be recovered 4. Standard covenants as per IBA to be complied by the party as per HO circular no. CHO/ARBD49/2015-16 dated March 21, 2016

B. Borrowings from Deutsche Bank as per Facilities Amendment letter dated June 25, 2021

Nature of facility	Sanctioned Limits (₹ In lakhs)	Rate of interest/ Commission	Tenor/ valid upto	Outstanding as on June 30, 2021 (₹ In lakhs)
Fund Based limits				
Uncommitted facilities in nature of Overdraft	100.00	MBLR plus 1.7%	Repayable on demand	Nil
Pre Shipment/ Post Shipment	225.00	LIBOR plus 2.50%	Upto 180 days	Nil
Total	325.00*			

***Overall Exposure (inclusive of Sub limits) not to exceed Rs. 225.00 lakhs**

SECURITY DETAILS:

Collateral Security
Title deeds situated at 98th, 9th floor, B-wing, Mittal Tower, Nariman Point Mumbai- 400021 held in the name of Sat Invest Pvt Ltd.

C. Borrowings from Indusind Bank vide letter dated August 21, 2021

Nature of facility	Limits (₹ In lakhs)	Rate of interest/ Commission	Tenor/ valid upto	Outstanding as on June 30, 2021 (₹ In lakhs)
Overdraft Facility	3.75	8.50%	13 months 1 day	2.92

Unsecured Borrowings

In addition to the secured borrowings availed by us from banks, we have also availed certain Unsecured Borrowings from Bank and Non Banking financial Institution. Set forth below is a brief summary of Unsecured Borrowings as of June 30, 2021.

Name of Banks/Non Banking financial Institutions – Nature of Facility/name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Outstanding as on June 30, 2021
ICICI Bank Limited – Overdraft facility as per the letter dated October 27, 2020	300.00	8.75%	Repayable demand - Every year renewal	281.87
Corporate guarantee by Sat Industries Limited, the Holding company and the promoter, and personal guarantee by Asad Daud, the Managing Director of our Company				

Tata Capital Financial Services Limited – Channel finance facility letter dated November 26, 2020	300.00	11%	Repayable demand	272.21
Corporate guarantee by Space Age Polymers LLP and Personal guarantee by Asad Daud, the Managing Director and Hakim Sadiq Ali Tidiwala, the Whole Time Director of our Company.				
Total	600.00			554.08

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Promoters, Directors, Group Company and Subsidiary, (the "**Relevant Parties**").

For the purpose of (V) above, our Board in its meeting held on July 31, 2021, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered 'material' if:

(a) the aggregate amount involved in such individual litigation exeeds 1% of profit after tax of the company as per the last audited financial statement, or

(b) where the decision in one litigation is likely to affect the decision in similar litigations even though the amount involved in such single litigation individually may not exceed 1% of the profit after tax of the company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of he profit after tax of the company, or

(c) litigation whose outcome could have a material impact on the business, operations, prospects or reputation of the company and the board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis asa may be determined by the board or any of its commitees.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to (i) creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on July 31, 2021 determined that outstanding dues to creditors exceeding 5% of the Company's trade payables i.e. in excess of Rs. 20.18 lakhs as per the restated financials for the period ended June 30, 2021 shall be considered as material dues ("Material Dues").

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Red Herring Prospectus.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND GROUP COMPANIES

Nature of Case	Number of Cases	Outstanding Amount (in lakhs)
Company		
Direct Tax*	1	1.62
Indirect Tax	-	-
Directors		
Direct Tax	-	-
Indirect Tax	-	-
Promoters		
Direct Tax**	4	9.02
Indirect Tax	-	-

Group Companies		
Direct Tax***	2	1.50
Indirect Tax	-	-

Note: The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.

The amounts indicated above include appeals under the Income Tax Act, 1961 ("I.T. Act") levied by the Income Tax Department for various assessment years and the details thereof are:

*For the Income Tax demand raised in the AY 2015-2016 by the Income Tax Authority: - An appeal in the form No. 35 against an order under section 143(3) of the Income Tax Act has been filed on June 15, 2016 by the Issuer Company involving disputed demand of Rs. 2,52,370/-. Consequent to the tax payment of Rs. Rs. 50,600/- (Net of Deposit) in the F.Y 2017-18 and adjustment of refund of Rs. 41,070/- for F.Y 2016-17 currently the Demand outstanding is Rs. 1,59,700 and the Interest accrued on the same is Rs. 2,513 aggregating to Rs. 1,62,213. Further the appeal is pending before the Hon'ble Commissioner of Income Tax (Appeals)

***(a)* The Income Tax Department raised a demand of Rs. 99,357/- inclusive of interest in F.Y 2007-08 and the Company has made payment of the same in F.Y. 2008-09. However Currently, there is an outstanding demand of Rs. 810,77 and accrued Interest of Rs. 64,545 aggregating to Rs. 1,45,622 reflecting on the Income Tax Portal pertaining to AY 2006-07 in the case of our corporate promoter – Sat Industries Limitedand the demand is under dispute.

(b) There is an outstanding demand of Rs. 35,757/- i.e. the final interest reflecting in the case of our corporate promoter – Sat Industries Limited, on the Income Tax Portal pertaining to AY 2008-09 and the demand is under dispute.

(c) The Income Tax Department raised a demand of Rs. 1,02,039/- inclusive of interest in F.Y 2011-12 and the Company made a payment of Rs. 19,940/- in F.Y. 2011-12. However currently, there is an outstanding demand of Rs. 23,234 /- and accrued interest of Rs. 17,632 aggregating to Rs. 40,866 reflecting on the Income Tax Portal pertaining to AY 2009-10 in the case of our corporate promoter – Sat Industries Limited and the demand is under dispute.

(d) For the Income Tax demand raised in the AY 2017-2018 by the Income Tax Authority: - An appeal in the form No. 35 against an order under section 143(3) of the Income Tax Act has been filed on December 19, 2019 by our Corporate promoter – sat Industries limited involving disputed demand of Rs. 8,30,251/- Consequent to the tax payment of Rs. 1,66,051(Net of deposit) in the F.Y 2019-20, currently the Demand outstanding is Rs. 6,63,199 and Interest accrued is Rs. 16,584 aggregating to Rs. 6,79,783/-. Further, the appeal is pending before the Hon'ble Commissioner of Income Tax (Appeals).

***(a) There is an outstanding demand of Rs. 26,810/- reflecting in the case of our Group Company– Italica Furniture Limited, on the Income Tax Portal pertaining to AY 2012-13.

(b) For the Income Tax demand raised for the AY 2019-2020 by the Income Tax Authority An appeal in the form No. 35 against an order under section 143(1) of the Income Tax Act has been filed on September 24, 2019 by our Group Company - Italica Furniture Private Limited involving disputed demand of Rs. 1,23,100/-. Further, the appeal is pending before the Hon'ble Commissioner of Income Tax (Appeals).

OTHER MATERIAL LITIGATIONS

LITIGATION INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTER:

Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES[1]:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR COMPANY:

CRIMINAL MATTERS:

i. **Sah Polymers Vs. Mr. Rahul Parakh**

Sah Polymers Limited had filed a complaint dated July 24, 2019 under section 138 of the Negotiable Instruments Act, 1881 against Shri Rahul Parakh (Prop. Shreeji Traders) vide Case No. RJUD02-001849-2020. The accused company required polymers granules and requested the complainant company on which the complainant company made a request to the Indian Oil Corporation Ltd. The Complainant issued a cheque of Rs. 77,818/- and a cheque vide number 631551 was issued by the accused as on 28-05-2019 of rupees by putting his signature and seal in the name of complainant company. Due to non-availability of funds with the accused, bank dishonoured and returned the cheque to the accused company with a memorandum of funds insufficient. On 13-06-2019 a registered notice under Negotiable instrument was sent to both the home and shop address. This notice was received on 15-06-2019. The accused through their advocate Mr.Rajesh Jajodia informed that the cheque was given on security and balance was noted to be rupees 61,184/- and also mentioned that the cheque is to be returned otherwise action will be taken against the Company. Despite receiving the notice on 15-06-2019 the accused firm has not paid the amount. The court of Special Judicial Magistrate accepted the complaint of Sah Polymers and issued summons to Mr Rahul Parakh proprietor of Shreeji Traders to appear on 10-11-2021.

ii. **Sah Polymers Vs . Shree Shyam Madhav Polybags Pvt Ltd**

Sah Polymers Limited had filed a complaint dated April 03, 2019 under section 138 of the Negotiable Instruments Act, 1881 against Shyam Madhav Polybags Pvt Ltd and its Directors vide Case No. RJUD02-003968-2019. The accused company required polymers granules and requested the complainant company on which the complainant company made a request to the Indian Oil Corporation Ltd. A cheque of Rs. 50,00,000/ - fifty lakh rupees vide Number 702344 dated 03.01.2019 was given to the complainant company. The Complainant Company presented it to UCO Bank, Bapu Bazar Udaipur on 04-01-2019 for clearing but the same was dishonored due to insufficient funds. A registered notice was sent to the accused dated 29-01-2019 and 31-01-2019 demanding payment of the returned cheque within 15 days and despite receiving the notice on 01-02-2019 the accused has not made the payment till date. On contact with the accused director, he accepted and signed the letter of acknowledgment of arrears. A cheque was issued for Rs. 43,79,733/- vide Cheque No 702354 and the same was presented for payment on 28.02.2019 but the bank returned the cheque due to non-availability of funds as on 01.03.2019. A registered notice was sent on 06-03-2019 to pay amount within 15 days from date of receipt of notice and a mail was also sent on 12.03.2019. The court of Special Judicial Magistrate issued summons to the director of Shri Shyam Madhav

[1] The Regulatory or Statutory Authorities for the purpose of this Chapter include but are not limited to SEBI, RBI etc.

Polybags Pvt Ltd Shri Ajay Singh Chauhan to appear on 03.07.2019. He has not appeared until 19.07.2021. The litigation is pending at the stage of service of summons.

iii. **Sah Polymers Vs. SLT Packers (Firm)**

Sah Polymers Limited had filed a complaint dated November 22, 2019 under section 138 of the Negotiable Instruments Act, 1881 against S.L.T. Packers (Firm), Prop. Shri Nandkishore Jajra vide case number RJUD02-002892-2021. The complainant company had supplied material (polymer granules) on behalf of IOCL to the accused from time to time. The accused Firm issued a cheque of Rs. 65,29,807/- vide cheque number 213019 dated 15-10-2019. A notice was sent to the accused which was received by the accused on 07-10-2019 and he still did not make payment till 14-10-2019. On 19-10-2019 the accused bank dishonored the cheque and retuned the memo "insufficient funds" with the endorsement of returned on 21-10-2019. Accused also sent a whatsapp on 19-10-2019 that he would transfer the amount very soon. The complainant through a registered notice under section 138 of Negotiable of instrument act dated 31-10-2019 which was received 02-11-2019 and 04-11-2019, despite this accused had not paid the amount. The plaintiff company suit arose on 17-11-2019 and 19-11-2019. The court of Special Judicial Magistrate accepted the complaint of Sah Polymers issued summons to the proprietor of SLT Packers and he is to appear on 20.11.2021.

OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Sah Polymers Limited Vs. Polypak Ghana Ltd. & Richard Nana Danso-Tawaiah

A Writ of Summons dated December 02, 2019 had been filed before the Hon'ble High/Circuit Court of Justice Commercial Division, Accra by Sah Polymers Limited against Polypak Ghana Ltd. & Richard Nana Danso-Tawaiah vide Suit No. CM/RPC/0272/2020 whereby Sah Polymers filed the statement of claim wherein it is stated that Sah Polymers Ltd supplied goods to Polypak Ghana Ltd between 22nd February 2018 and 31st October, 2018 and raised 4 separate invoices for each consignment. The total cost was USD 160,460.50 of which Polypak Ghana Ltd paid a total of USD 65,500. Despite, repeated acknowledgement of the debt and assurances Polypak Ghana Ltd only paid another USD 10,000 as on 11th September 2019 and the balance outstanding amount owed to Sah Polymers was USD 84,960.50. Polypak Ghana Ltd filed a Statement of Defence dated February 26th, 2020 in response accepting the claims of Sah Polymers regarding outstanding amount owed by Polypak Ghana Ltd owing to unexpected business challenges faced at harbour and denied stating that Mr. Richard Nana Danso,Tawaiah, Managing Director is not liable in his personal capacity. The Hon'ble High Court of Justice, Accra vide its judgement dated May 29th, 2021 ruled in the favour of Sah Polymers and held that a sum of USD $84,960.50 (for the sake of convenience, rate of 1 USD$ is equal to 74.77 INR as on October 06, 2021) and interest thereon at the commercial bank rate from 11th September, 2019 be awarded to Sah Polymers Limited to be received from Polypak Ghana Ltd and additionally cost of GH₵ 5,000.00 (for the sake of convenience, rate of 1 GH₵ is equal to 12.302 INR as on October 06, 2021) is awarded to the Company against Polypak Ghana Ltd.

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

A. LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTERS:

None of our Directors' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONSFILED BY DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATIONS AGAINST OUR PROMOTER/S:

1. CRIMINAL MATTERS:

Nil

2. DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS INCLUDING OUTSTANDING ACTION:

Nil

3. WILFUL DEFAULTERS:

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

4. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

5. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONSFILED BY OUR PROMOTER/S:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR GROUP COMPANY

A. LITIGATIONS AGAINST OUR GROUP COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR GROUP COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — "Management Discussion and Analysis of Financial Condition and Result of Operation" on page 167 of this Draft Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet

OUTSTANDING DUES TO CREDITORS

As of June 30, 2021, we have 118 creditors and the aggregate amount outstanding to such creditors a was ₹ 403.66 Lakhs.

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed ₹ 20.18 Lakhs, which is 5% of the total trade payables of our Company as per the Restated Financial Statements of our Company for the year ended June 30, 2021 included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, in this regard, the creditors to whom an amount exceeding ₹ 20.18 Lakhs was owed as on June 30, 2021, were considered 'material' creditors. Based on the above, there are 5 material creditor(s) of our Company as on June 30, 2021, to whom an aggregate amount of ₹ 248.28 Lakhs was outstanding on such date.

Details of outstanding dues owed as at June 30, 2021 to MSMEs and other creditors are set out below.

Creditors	Number of Cases	Amount due (in Rs. Lakhs)
MSMEs	Nil	Nil
Other Creditors	118	403.66

The details pertaining to amounts due towards the material creditors are available on the website of our Company at www.sahpolymers.com

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.sahpolymers.com , would be doing so at their own risk.

OUSTANDING DUES FROM CUSTOMERS

As on date of DRHP,we have outstanding dues totalling to Rs. 85.98 Lakhs from a customer, Souleymane Ouedraogo, that is in the overseas jurisdiction. No legal notice has been issued as of yet but we are in the process of appointing a legal counsel for the recovery of the debt.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing and exporting HDPE/PP Woven Bags and Fabrics, DCA cum DOPW agent of Indian Oil Corporation Limited, Polymer Division and Financing, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled "Key Industry Regulations and Policies" on page 127 of this Draft Red Herring Prospectus.

The Company has its business located at:

Registered Office and manufacturing Unit: E-260-261, Mewar Industrial Area, Udaipur- 313003, Rajasthan, India

Corporate Office: 121, B-Wing, Mittal Tower, Nariman Point, Mumbai – 400 010, Maharashtra, India.

Land: Araji no. 1164-1166, Village Modi, Tehsil Vallabhnagar, Udaipur (Raj.) – 313602

Processing Unit: G-260, IID Center, Kaladwas, Udaipur (Raj.) 313003

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled 'Objects of the Issue' beginning on page no. 81 of this Draft Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR 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 August 23 , 2021 , authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on September 13, 2021 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated September 28, 2021 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 06th of December, 2018 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 Company's International Securities Identification Number ("ISIN") is INE035801013.

Lenders Consent

1. NOC dated July 26, 2021 has been obtained from UCO Bank, Udaipur as per the sanction letter dated April 30, 2020, October 31, 2020, and June 18, 2020 under which our Company has availed the sanctioned limit of Rs. 1404 Lakhs.

2. NOC dated July 26, 2021 has been obtained from Indusind Bank, Mumbai as per the letter dated August 21, 2021under which our Company availed the limit of Rs. 3.75 Lakhs.

3. NOC dated July 30, 2021 has been obtained from Deutsche Bank, Mumbai as per the sanction letter dated June 25, 2020 under which our company has availed an OD/PCFC facility of Rs. 225.00 Lakhs.

4. NOC dated August 19, 2021 has been obtained from ICICI Bank, Udaipur as per the letter dated October 27, 2020 under which our Company has availed Overdraft Facility of 300.00 Lakhs.

5. NOC dated August 19, 2021 has been obtained from Tata Capital Financial Services, Mumbai as per the Renewalletter dated November 26, 2020 under which our company has availed a credit facility of Rs. 300.00 lakhs.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated 20th April, 1992issued by the Registrar of Companies Rajasthan, Jaipur, in the name of **"Peacock Continental Limited**" having CIN No. U24201RJ1992PLC006657.
2. Certificate of Incorporation consequent upon Change in name of Company from **"Peacock Continental Limited"** to **"Sah Polymers Limited"** issued on 24th July, 1998 by the Registrar of Companies, Rajasthan, Jaipur.
3. The Corporate Identification Number (CIN) of the Company is **U24201RJ1992PLC006657.**

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Udyam Registration	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-RJ-33-0000063	04/07/2020	NA
2.	Registration & License to Work a Factory	Chief Inspector of Factories and Boilers Rajasthan, Jaipur	RJ/10128	24/12/2020	31/03/2022

3.	MSME Acknowledgement Certificate under the Rajasthan Micro, Small & Medium Enterprise (Facilitation of Establishment and Operation) Act, 2019 (*for land - project forming the objects of the Issue)*	Bureau of Investment Promotion	MSME/2021/11058	03/09/2021	02/09/2024

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAFCS6813H	Not applicable	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	JDHS00927D	Not applicable	Perpetual
3	Goods and Service Tax Identification Number	Government of India	08AAFCS6813H1Z8	01/07/2017	NA
4	Certificate of Import- Export Code (IEC)	Office of Jt. Director General of Foreign Trade	1302000349	12/04/2021	Perpetual

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and	Employees Provident Fund Organisation, Ministry of Labour, Government of India	RJUDR0004190000	February 25, 2015

	Miscellaneous Provisions Act, 1952)			
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	16000068710000104	January 06, 2011

OTHER BUSINESS-RELATED APPROVALS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Consent to operate u/s 21(4) of the Air (Prevention & Control of Pollution) Act, 1981	Rajasthan State Pollution Control Board	2016-17/Udaipur/2504	23/02/2017	28/02/2027
2	Consent to operate u/s 25/26 of the Water (Prevention & Control of Pollution) Act, 1974	Rajasthan State Pollution Control Board	2016-17/Udaipur/2505	23/02/2017	28/02/2027
3.	ISO 9001:2015 Certification	International Certification Services Pvt. Ltd	RQ91/7969	25/10/2012	24/10/2021
4.	Star Export House Certificate	Ministry of Commerce & Industry/ Directorate General of Foreign Trade	130116000124	19/01/2017	18/01/2022

INTELLECTUAL PROPERTY RIGHTS

TRADEMARK

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application Number	Date of Application	Validity /Renewal	Registration Status
1.	Certificate of Registration of Trade Mark, Section 23(2), Rule 56 (1)	Device Mark	16	Sah Polymers Limited	4156338	24/04/2019	Valid	Registered

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

The company is yet to apply for the following material licenses and approvals as per the Object of the Issue.

1. Factories License under Factories Act, 1948
2. Consent to establish under Rajasthan Pollution Control Board
3. Consent to operate under Rajasthan Control Board- Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974.
4. Application for Conversion of Agricultural land situated at Araji no. 1164-1166, Village Modi, Tehsil Vallabhnagar, Udaipur (Raj.) - 313602 into non agricultural land with District Industrial Sector.*

*Vide Acknowledgment Certificate Number MSME/2021/11058 dated September 03, 2021 Company is exempted for a period uptil September 02, 2024 pursuant to section 2(b) of Rajasthan Micro, Small and Medium Enterprises (Facilitation of Establishment and Operation) Act, 2019.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board passed at their meeting held on August 23, 2021 which was subject to the approval of shareholders through special resolution. The shareholders of our Company have approved this issue vide a Special Resolution passed at an Extra Ordinary General Meeting held on September 13, 2021 at the Registered Office of our company. This Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution dated October 5, 2021, and by the IPO Committee pursuant to a resolution passed on October 5, 2021.

We have received In-Principle Approval from National Stock Exchange of India Limited vide their letter dated [●].

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Red Herring Prospectus.

Our Company is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended ("**SBO Rules**") to the extent applicable. Our Company and members of the Promoter Group are in compliance with the SBO Rules to the extent applicable to each of them as on the date of this Draft Red Herring Prospectus.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.

None of our Directors are associated with the securities market in any manner and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors have been identified as wilful defaulter(s) by the RBI or any other governmental authority.

ELIGIBITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than ₹ 1,000 lakhs and upto 25,000 lakhs. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall under write at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 54 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight 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 days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013 shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

3. We have filed Draft Red Herring Prospectus with stock exchange. The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the SEBI in a soft copy.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled "*General Information*" beginning on page 54 of this Draft Red Herring Prospectus.
5. Our Company is incorporated under Companies Act, 1956.
6. The Company has track record of 3 years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the date of filing of this Draft Red Herring Prospectus.
7. Net-worth of the Company is positive as per the latest audited financial statements.
8. The Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. No petition for winding up is admitted by a court of competent jurisdiction against the company.
11. The Company has website www.sahpolymers.com
12. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company (ies), group companies, companies promoted by the promoters/promoting companies of the Company.
13. There is no default of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company (ies), group companies, companies promoted by the promoters/promoting companies of the Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK

RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Rajasthan, in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, **www.sahpolymers.com** would be doing so at his or her own risk.

BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information will be made available by the Book Running Lead Manager, Underwriters, Syndicate members and our Company to the public and bidders at large and no selective or additional information would be available for any section of the bidders in any manner whatsoever including at road shows, presentations, in research or sales reports etc. We shall not be liable to the Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company and the BRLM or any other member of the Syndicate shall not be liable to the Bidders for any i) failure in uploading the Bids due to faults in any software/hardware system or otherwise. Ii) The blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

CAUTION

Bidders will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approval to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approval to acquire Equity Shares. Our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any bidders on whether such bidder is eligible to acquire Equity Shares.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited, please refer "Annexure A" to this Draft Red Herring Prospectus and the website of Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). National Stock Exchange of India Limited has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchange on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this 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 National Stock Exchange of India Limited should not in any way be deemed or construed that the offer document has been cleared or approved by National Stock Exchange of India Limited; 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 promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

LISTING

An application has been made to the Emerge Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Offer Document vide its letter [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Book Running Lead Manager, Syndicate Member, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue/Refund Banker to the Issue/Sponsor bank, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the period ended June 30, 2021 and financial year ended March 31, 2021, 2020 and 2019 of our company.

However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

PREVIOUS RIGHTS AND PUBLIC ISSUES

Except as stated in the chapter titled *"Capital Structure"* beginning on page 64 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public issues during last 5 years, and 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.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES

Neither our Company nor any of our Group Company have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY

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. Further, we have no Subsidiary company as on the date of this DRHP. Further, our Promoter Company is listed on BSE Limited (Bombay stock exchange) and has not undertaken any public/ rights issue of its equity shares in the preceding five years.

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.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, UPI Id (if applicable), number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on July 31, 2021. For further details, please refer to the chapter titled "*Our Management*" beginning on page 143 of this Draft Red Herring Prospectus.

Our Company has appointed Debanshu Debas Company Secretary and Compliance Officer and she may be contacted at the following address:

Debanshu Deb
Sah Polymers Limited
E-260-261, Mewar, Industrial Area, Madri
Udaipur (Raj.)-313003
Tel: +91 294 2493889
Fax No.: N.A
Email: cs@sahpolymers.com
Website: www.sahpolymers.com

Investors can contact the Company Secretary and 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 or unblocking of funds, *etc*.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC 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, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their 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) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application since this IPO will not be under Phase I.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari - passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 232 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 163 of this Draft Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is ₹ 10 each and the Issue Price at the lower end of Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in All edition of the English national newspaper [●], All edition of the Hindi national newspaper [●] and the Regional newspaper of Udaipur, Rajasthan, [●] in Hindi , Hindi being the regional language where the registered office of our company is located, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the website of the Stock Exchange.

At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 232 of this Draft Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated December 6, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated September 28, 2021 amongst CDSL, our Company and the Registrar to the Issue.

The Company's bear ISIN no INE035801013

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable

U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

COMPLIANCE WITH SEBI ICDR REGULATIONS

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.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety 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 will be made only in dematerialized mode there is no need to make a separate nominatmion with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date

and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	[●]
Bid / Issue Closing Date [(1)]	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of funds from ASBA Accounts / Initiation of Refunds	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

(1) UPI mandate end time and date shall be at 12.00pm on [●].

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated

by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the red herring prospectus (in case of a book built issue) or the issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Offer Period not exceeding 10 working days.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	**Compensation amount**	**Compensation period**
Delayed unblock for cancelled / withdrawn / deleted applications	Rs. 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount and Rs. 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date ofactual unblock
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and Rs. 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	Rs. 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-issue BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")) during the Bid / Offer Period (except on the Bid / Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form except that:

(i) on the Bid / Offer Closing Date:

(a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above ₹ 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution 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), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than ₹ 1,000 lakhs but below ₹ 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and 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 issued through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 54 of this Draft Red Herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 54 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 232 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCUTRE

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, our post issue face value capital exceeds ten crore rupees but does not exceed twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 202 and 211 of this Draft Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of upto 57,00,000 Equity Shares of face value of ₹ 10/- each fully paid (the 'Equity Shares') for cash at a price of ₹ [●]/- (including a premium of ₹ [●]/-) aggregating to ₹ [●] Lakhs. The Issue comprises a Net Issue to the public of up to [●] Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Market Maker Reservation Portion	Non – Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of issue Size available for allocation	[●] % of issue Size	[●] % of the net issue shall be available for allocation	[●] % of the Net issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Firm allotment	Proportionate	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled *"Issue Procedure"* beginning *on* page 211 of the Draft Red Herring Prospectus
Mode of Bid cum Application	Through ASBA Process only	Through ASBA Process only	Through ASBA Process only
Minimum Bid Size	[●] Equity Shares of Face Value of ₹ 10.00 each	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	[●] Equity Shares of Face Value of ₹ 10.00 each
Maximum Bid Size	[●] Equity Shares of Face Value of Rs 10 each	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares, however the Market	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars	Market Maker Reservation Portion	Non – Institutional Bidders	Retail Individual Bidders
	Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations		
Terms of payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form, or in the UPI-linked bank account in the case of Retail Individual Bidders using the UPI Mechanism.		

1) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.*

2) *In terms of Rule 19(2)(b)(i) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	[●]
Bid / Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

ISSUE PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars on Streamlining of Public Issues (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 ("**UPI Circular**") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019.*

*Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**") with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular has come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus*

*Thereafter, the final reduced timeline may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Issue Opening Date. If the Issue is made under UPI Phase III, the same will be advertised in [●] editions of the English national daily newspaper, [●] editions of the Hindi national daily newspaper, [●] and [●] editions of the regional Rajasthan newspaper, [●] (Hindi being the regional language of Udaipur, Rajasthan, where our Registered Office is located) on or prior to the Bid / Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites. Further SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 have brought the implementation of the aforesaid circular dated march 16, 2021 in accordance with the revised timelines for certain of its provisions based on representations received from the stakeholders due to Covid-19 pandemic. The revisions of the circular dated June 02, 2021 are elaborated as under:-*

- *SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.*

- *The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.*

- *In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.*

- *The Stock Exchanges and Book Running Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.*

- *The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e, the day when the Basis of Allotment (BOA) has to be finalized.*

- *The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.*

- *Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.*

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue has been made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process and the allocation to the public will be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to the valid Bids 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 Bidders shall not be less than the minimum Bid 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 BRLM 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 Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and

PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated 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. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI 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. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue shall use only UPI payment mechanism for application.

The bid cum application form submitted by NIIs and QIBs must provide bidder's bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form. Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI of the his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and *SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021.*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder 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 bid details, including UPI ID, in the electronic bidding system of Stock Exchange.

Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, "printouts" of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Red Herring 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 website of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or Sponsor Bank, as applicable, at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

i. an SCSB, with whom the bank account to be blocked, is maintained

ii. a syndicate member (or sub-syndicate member)

iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")

iv. a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

v. 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 Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), shall enter their UPI ID in the Bid-Cum-Application Form. It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

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.

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 other than Retail Individual Investors to intermediaries other than SCSBs	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of 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 Retail Individual 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 bid details, including UPI ID, in the electronic bidding system of Stock Exchange. Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on Retail Individual Investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investor. Retail Individual 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 Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

WHO CAN BID?

In addition to the category of Bidders, set forth in the GID, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific research organizations authorized in India to invest in the Equity Shares; and
- Any other persons eligible to Bid in the Issue under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing RBI regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS, PROMOTER GROUP AND PERSONS RELATED TO

PROMOTER/PROMOTER GROUP

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLM and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents (blue in colour). For details of restrictions on investment by NRIs, please refer to the chapter titled "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 229 of this Draft Red Herring Prospectus.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals;

BIDS BY FPIS INCLUDING FIIS

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) 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 followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

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 AIF 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 AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration offered under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids 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 Bid cum Application Form. Failing this, our Company 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.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

(a) equity shares of a company: the least 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;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under 1, 2 and 3 above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, Government of India, Systemically Important Non-Banking Financial Company or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF DRAFT RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC

(a) Our Company have entered into an Underwriting agreement dated [●].

(b) A copy of the Red Herring Prospectus will be registered with the RoC and copy of Prospectus will be

registered with ROC in terms of Section 32 of the Companies Act, 2013 and Section 26 of the Companies Act, 2013. The Prospectus will contain details of the Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National daily Newspaper; (ii) Hindi National daily Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date and the floor price or price band along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Draft Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that NIIs are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Issue period and withdraw their Bid(s) until Bid/ Issue closing date.

In addition to the general instructions provided in the General Information Document, Bidders are requested to note the additional instructions provided below:-

A. Do's and Don'ts

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. All Bidders should submit their Bids through the ASBA process only;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
7. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
8. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Bid cum Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Bid cum Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
9. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;

10. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

11. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

12. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;

13. RIBs submitting a Bid cum Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

14. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Bid cum Application Form;

15. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI

16. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

17. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

18. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment.

19. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

20. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;

21. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

22. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

23. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries

24. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the

exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
27. Ensure that the category and the investor status is indicated;
28. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
29. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
30. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
31. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Draft Red Herring Prospectus;
32. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
33. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
34. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
35. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
36. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
37. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
38. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid / Offer Closing Date.
39. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
40. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds

equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

41. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;
5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
7. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
8. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not Bid at Cut-off Price (for Bids by Non-Institutional Bidders);
10. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
11. Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
13. Do not submit the General Index Register number instead of the PAN;
14. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
15. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
18. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party

linked bank account UPI ID are liable for rejection.

19. Do not submit a Bid using UPI ID, if you are not a RIB;
20. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism
21. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

A Bidder should submit only one Bid cum Application Form. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

SUBMISSION OF BIDS

a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.

b) In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

c) For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Draft Red Herring Prospectus.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;

- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price.
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-Off Price by NIIs.
- Bids for number of Equity Shares which are not in multiples of the Equity Shares as specified in the Draft Red Herring Prospectus;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bids accompanied by stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case, no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchange; and
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form /Application Form. Bids not duly signed by the sole/First Bidder.
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of Bid cum Application Forms/Application Form using third party ASBA Bank Account;

- Submission of more than one Bid cum Application Form per UPI ID by RIIs bidding through Designated Intermediaries;
- In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- Bids submitted by RIBs using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at
- https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and *vice-versa*.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the 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:

(a) Agreement dated December 6, 2018 among NSDL, the Company and the Registrar to the Issue; and

(b) Agreement dated September 28, 2021 among CDSL, the Company and the Registrar to the Issue.

The Company's shares bear ISIN no INE035801013.

IMPERSONATION

Attention of the Bidders 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."

PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

(a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is

completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Net Issue size less Allotment to Non-Institutional Investors shall be available for Allotment to Retail Individual Bidders, who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

B. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Net Issue size less Allotment to Retail Investors shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter‘s contribution in full has already been brought in;
6. That except Pre-IPO Placement, no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-

listing, under-subscription etc.;

7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ 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;

9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;

10. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

11. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be 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 unutilised, under an appropriate separate head in the 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 an 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 the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation 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 all the Stock Exchange where listing is sought has been received.

6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITITES

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 Foreign Direct Investments ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade ("**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.

Under the current applicable sectoral cap, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our Company is in the business of manufacturing and exporting HDPE/PP Woven Bags and Fabrics, DCA cum DOPW agent of Indian Oil Corporation Limited, Polymer Division and Financing. These activities are specifically listed under the FDI Policy 2020, under 5.2.5.1, hence 100 % foreign direct investment through automatic route is permitted subject to applicable laws/regulations, security and other conditionalities.

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 of 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

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price

at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI investment limit of below 10% of the total paid-up equity capital of the Indian Company on a fully diluted basis and subject to the aggregate limit of all FPIs put together being 24% of the total paid-up equity capital of the Indian company on a fully diluted basis. However, this aggregate 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, respectively before March 31, 2020. With effect from April 01, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FDI Policy, 2020, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. The aggregate limit as provided above may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively before March 31, 2020. The Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively; however, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold.

ii. Investment by NRI or OCI on repatriation basis:

As per Schedule 3 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, an NRI or OCI may purchase or sell shares of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions that NRIs or OCIs may purchase and sell shares through a branch designated by an authorised dealer for the purpose; and 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. 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 company.

iii. Investment by NRI or OCI on non-repatriation basis

As per Schedule 4 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, purchase by an NRI/OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs/OCIs, on non-repatriation basis of shares and convertible debentures or warrants issued by a company without any limit either on the stock exchange or outside, it will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. However, NRI/ OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs/OCIs, is prohibited from making any investment, under Schedule 4, in capital instruments or units of a Nidhi company or a company engaged in agricultural/ plantation activities or real estate business or construction of farm houses or dealing in transfer of development rights.

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 20003/71/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 unauthorised. 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 Draft Red Herring 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 Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

(THE COMPANIES ACT, 2013)
(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION
OF
OF SAH POLYMERS LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the extra ordinary general meeting of the Company held on **15/07/2021** in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company

PRELIMINARY

Title of Article	Article Number and contents
Table "F" not to apply but company to be governed by these Articles	1. The regulations contained in Table "F" in the Schedule I of the Companies Act, 2013 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act 2013, be such as are contained in these Articles.

INTERPRETATION

Title of Article	Article Number and contents
Interpretation Clause	2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:
The Act	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
These Articles	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time.
Auditors	(c)"Auditors" means and includes those persons appointed as such for the time being of the Company.
Board or Board of Directors	(d) "Board" or "Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively.
Capital	(e) "Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company.
Chairman	(f) "The Chairman" means the Chairman of the Board of Directors, for the time being, of the Company
Charge	(g) "Charge" includes a mortgage.

Company	(h) The "Company" shall mean Sah Polymers Limited.
Debenture	(i) "Debenture" includes debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
Directors	(j) "Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles.
Dividend	(k) "Dividend" includes bonus unless otherwise stated.
Executor or Administrator	(l) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
Gender	(m) Words importing the masculine gender shall be deemed to include the feminine gender and *vice versa*.
In writing and written	(n) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.
Legal Representative	(o) "Legal Representative" means a person who in law represents the estate of a deceased Member.
Marginal Notes	(p) The marginal notes hereto shall not affect the construction thereof.
Members	(q) "Members" means the duly registered holders, from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company.
Board Meeting or Meeting of Board	(r) "Board Meeting" or "Meeting of Board" means meeting of the Board of Directors.
Annual General Meeting or General Meeting	(s) "Annual General Meeting" or "General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act
Extra-Ordinary General Meeting	(t) "Extra-Ordinary General Meeting" means an extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof
Memorandum	(u) "Memorandum" means the Memorandum of Association of the Company as originally framed and/or altered from time to time.
Month	(v) "Month" means a calendar month

National Company Law Tribunal	(w) “National Company Law Tribunal” means National Company Law Tribunal (Tribunal) as defined under section 408 of the Companies Act, 2013.
Office	(x) "Office” means the registered office for the time being of the Company
Ordinary Resolution	(y) "Ordinary Resolution” shall have the meanings assigned to it by Section 114 of the Act
Paid Up	(z) "Paid-up" includes capital credited as paid up
Person	(aa) “Person" shall be deemed to include corporations and firms as well as individuals.
Proxy	(ab) “Proxy” means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.
Public Holiday	(ac) “Public Holiday” means public holiday within the meaning of the Negotiable Instruments Act, 1881 provided that no date declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
The Register of Members	(ad) “The Register of Members" means the Register of Members to be kept pursuant to Section 88 of the Act
The Registrar	(ae) “The Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.
Seal	(af) "Seal" means the common seal for the time being of the Company.
Secretary	(ag) "Secretary" means any individual possessing the prescribed qualifications under the Company Secretary Act, 1980 appointed by the Board to perform the duties of a Secretary
Shares	(ah) "Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied
Special Resolution	(ai) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.
The Statutes	(aj) “The Statutes” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company
Financial Year	(ak) "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act

Singular Number	(al) Words importing the Singular number include where the context admits or requires the plural number and *vice versa*.
These presents	(am)"These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
Variation	(an)Variation" shall include abrogation; and "vary" shall include abrogate.
Expressions in the Act to bear the same meaning in Articles	(ao) Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	3. The Authorized Share Capital of the Company shall be as stated in clause V of the Memorandum of Association of the Company, with power of the Company to increase or decrease the capital.*
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 and of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act
New Capital same as existing capital	5. Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing 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.
Non Voting Shares	6. The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

Redeemable Preference Shares	7. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8. The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
Provisions to apply on issue of Redeemable Preference Shares	9. On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh i s su e of shares made for the purpose of the redemption. (b) No such Shares shall be redeemed unless they are fully paid. (c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed. (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company. (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.
Reduction of capital	10. The Company may (subject to the provisions of section 52, 55 and 66, , and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account. in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.
Purchase of own Shares	11. The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a paymentout of capital in respect of such purchase.

Sub-division consolidation and cancellation of Shares	12. Subject to the provisions of Section 61 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub- divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which 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.

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of Rights	13. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall *mutatis mutandis* apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking *pari passu* therewith.

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	14. The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 39 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.

Further issue of shares	15. (1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered— (*a*) 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:— (*i*) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as prescribed under Rule 12A of the Companies (Share Capital and Debentures) Rules, 2014 and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; Provided that notwithstanding anything contained in this sub-clause and sub-section (2) of this section, in case ninety percent of the members of a private company have given their consent in writing or in electronic mode, the periods lesser than those specified in the said sub-clause or sub-section shall apply. (*ii*) unless the articles of the company otherwise provide, 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 clause (*i*) shall contain a statement of this right; (*iii*) 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 of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company; (b) to employees under a scheme of employees' stock option , subject to special resolution passed by company and subject to such conditions as given in the Act. (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), 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 compliance with the applicable provisions of Chapter III and other conditions as prescribed under the Act.. (2) 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 debenture 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 general meeting. (3) Where any debentures have been issued, or loan has been obtained from any Government by a company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

	Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order,appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit. (4) Where the Government has, by an order made under (3), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the Tribunal under (3) or where such appeal has been dismissed, the memorandum of such company shall, where such order has the effect of increasing the authorised share capital of the company, stand altered and the authorised share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.
Shares at the disposal of the Directors	16. Subject to the provisions of Section 62 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Power to offer Shares/options to acquire Shares	16A (i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not but excluding an independent director), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. (ii) In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of monies for the purposes of such trust, as it deems fit. (iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.
Application of premium received on Shares	17. (1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company. (2) The security premium account may, notwithstanding anything in clause (I) thereof be applied by the Company: (a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus; (b) In writing off the preliminary expenses of the Company; (c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or (d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company. (e) For the purchase of its own shares or other securities
Power also to Company in General Meeting to issue Shares	18. In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms

	and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose In addition to the powers contained in Article 18A(i), the General
	Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	19. (1) The Company may issue sweat equity shares of a class of shares already issued, if the following conditions are fulfilled, namely:— (a) The issue is authorised by a special resolution passed by the company; (b) The resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued; (c) Where the equity shares of the company are listed on a recognised stock exchange , the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with Companies (Share Capital and Debentures) Rules, 2014. (2) The rights, limitations, restrictions and provisions as are for the time being applicable to equity shares shall be applicable to the sweat equity shares issued under this Article and the holders of such shares shall rank pari passu with other equity shareholders. (3) A company may issue shares at a discount to its creditors when its debt is converted into shares in pursuance of any statutory resolution plan or debt restructuring scheme in accordance with any guidelines or directions or regulations specified by the Reserve Bank of India under

	the Reserve Bank of India Act, 1934 or the Banking (Regulation) Act, 1949.
Installments of Shares to be duly paid	20. If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of
Title of Article	**Article Number and contents**
	non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.
The Board may issue Shares as fully paid-up	21. Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Acceptance of Shares	22. Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	23. The money, if any which the Board of Directors 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 inscription of the name of the allottee in the Register of Members as 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.
Liability of Members	24. Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.

Dematerialization of securities	25.(A) Definitions **Beneficial Owner** "Beneficial Owner" means a person whose name is recorded as such with a Depository. **SEBI** "SEBI" means the Securities and Exchange Board of India. **Bye-Laws** "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; **Depositories Act** "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; **Depository** "Depository" means a company formed and registered under the Companies Act, 2013 or any previous act and which has been granted a certificate of registration under sub-section (1A) of Section 12
Title of Article	**Article Number and contents**
	of the Securities and Exchange Board of India Act, 1992; **Record** "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI; **Regulations** "Regulations" mean the regulations made by SEBI; **Security** "Security" means such security as may be specified by SEBI.
Dematerialisation of securities	25.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	25.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allottee as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form	25.(D) All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections88, 89 112, and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

Rights of depositories and beneficial owners	25.(E) (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; (2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; (3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository To Furnish Information	25.(F) 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 the bye-laws and the Company in that behalf.
Service of documents	25.(G) Notwithstanding anything 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 electronics mode or by delivery of floppies or discs.
Option to opt out in respect of any security	25.(H) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment 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.
Sections 45 and 56 of the Act not to apply	25.(I) Notwithstanding anything to the contrary contained in the Articles, (1) Section 45 of the Act shall not apply to the Shares held with a Depository; (2) Section 56 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26. (a) Every Member or allotee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.

Limitation of time for issue of certificates	26A. Every Member 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 so 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 three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that 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 one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	28. 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem 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 Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company.

The first name joint holder deemed sole holder	29. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Issue of Shares without Voting Rights	30. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of Shares and Securities	31. Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of Section 67 and SEBI (Buy back of Shares) Regulations, as may be permitted by law.
Employees Stock Options Scheme/ Plan	32. The Directors shall have the power to offer , issue and allot Equity Shares or Debentures (Whether fully / partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	34. The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.

Company not bound to recognize any interest in Shares other than of registered holder	35. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognised	36. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.
Declaration by person not holding beneficial interest in any Shares	37. (1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act 2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act (3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act (4) Not withstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
Funds of Company not to be applied in purchase of Shares of the Company	38. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 and 66 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person for any Share in the Company or in its holding Company.

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	39. Subject to the provisions of Section 40 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed, in the case of the Shares, five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Title of Article	**Article Number and contents**
Brokerage	40. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 of the Act.

DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	42. (a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business. (b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 71 of the Act. (c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act. (d) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Act. (e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. (f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Act) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred. (g) The Company shall comply with the provisions of Section 71 of the Act, as regards supply of copies of debenture Trust Deed and inspection

	thereof. (h) The Company shall comply with the provisions of Section 77 to 87 (inclusive) of the Act as regards registration of charges.

CALLS

Title of Article	Article Number and contents
Directors may make calls	43. (a) Subject to the provisions of Section 49 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board make such calls as it thinks fit upon the Members in respect of all monies unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.. (b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
Notice of call when to be given	44. Not less than **fourteen days** notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.
Call deemed to have been made	45. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	46. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour.
Amount payable at fixed time or by installments to be treated as calls	47. If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	48. If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Title of Article	Article Number and contents
Evidence in action by Company against share holder	49. On the trial of hearing of any action or suit brought by the Company against any Member 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 Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as 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 in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	50. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the monies due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on any other securities including Debentures of the Company.

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	55. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him 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.
Sum payable on allotment to be deemed a call	56. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

Title of Article	Article Number and contents
Form of notice	57. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	58. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	59. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	60. 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 or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owning at the time of forfeiture and interest	61. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	62. The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	63. The Board of Directors 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.

Title of Article	Article Number and contents
Declaration of forfeiture	64 (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that 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 Share. (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off. (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share. (d) Any such purchaser or allotee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment. (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum.	65. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	66. Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	67. The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

Title of Article	Article Number and contents
Validity of sale	68. 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 purchasers 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.
Surrender of Shares	69. The Directors may subject to the provisions of the Act, accept a surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	70. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	71. The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application for transfer	72. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) 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 and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	73. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. 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. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.

Transfer by legal representatives	74. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	75. The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	76. Subject to the provisions of Section 58, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within 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 Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	77. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	78. The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

Notice of application when to be given	79. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	80. Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member 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 Share 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 as a holder, he shall execute 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. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	81. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	82. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the Share.
No fee on transfer or transmissions	83. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letter of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	84. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	85. 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 persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had 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 to be required to regard or

	attend to 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 to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to
Title of Article	**Article Number and contents**
	regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	86. The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon 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 persons 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.
Deposit of share warrants	87. (a) 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 call in 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 deposit Warrant (b) Not more than one person shall be recognized as depositor of the Share Warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor
Privileges and disabilities of the holders of share warrant	88. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall 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 notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	89. The Board may, from time to time, make bye-laws as to 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 destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents

Share may be converted into stock	90. The Company may, by Ordinary Resolution: (a) Convert any fully paid up Share into stock, and (b) reconvert any stock into fully paid-up Shares.
Transfer of stock	91. The several holders of such stock may transfer their respective interest
	therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, form time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	92. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	93. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	94. Subject to the provisions of Sections 73, 179 and 180 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company, its free reserves (not being reserves set apart for any specific purpose) and securities premium the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

The payment or repayment of monies borrowed	95. The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	96. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Terms of issue of Debentures	97. Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	98. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Title of Article	Article Number and contents
First Annual General meeting	99. The First Annual General meeting shall be held in accordance with the provisions of Section 96 of the Act within a period of nine months from the date of closing of first financial year of the company .

Annual General Meeting	100. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.
Report statement and registers to be laid before the Annual General Meeting	101. The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	102. All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.

Requisitionists' meeting	103. (1) Subject to the provisions of Section 100 and 111 of the Act, the Directors shall on the requisition in writing or through electronic mode at least twenty one clear days prior to the proposed date of the requisitioned extraordinary general meeting, of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:- (a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, specifying the place, date, day and hour of the meeting and the business to be transacted at the meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting. (b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting. (2) The number of Members necessary for a requisition under clause (1) hereof shall be (a) Such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; (3) The requisition so made shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company. (4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitonists themselves within a period of three months from the date of the requisition. (5) The requistionists should convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on any day except national holiday.

	(6) The notice shall be signed by all the requistionists or by a requistionists duly authorised in writing by all other requistionists on their behalf or by sending an electronic request attaching therewith a scanned copy of such duly signed requisition. (7) No explanatory statement as provided in Article 109 need be annexed to the notice of an extraordinary general meeting convened by the requistionists and the requistionists may disclose the reasons for the resolution(s) which they propose to move at the meeting. (8) The notice of the meeting shall be given to those members whose names appear in the Register of members of the company within three days on which the requistionists deposit with the Company a valid requisition for calling an extraordinary general meeting. (9) Where the meeting is not convened, the requistionists shall have a right to receive list of members together with their registered address and number of shares held and the company concerned is bound to give a list of members together with their registered address made as on twenty first day from the date of receipt of valid requisition together with such changes, if any, before the expiry of the forty-five days from the date of receipt of a valid requisition. (10) The notice of the meeting shall be given by speed post or registered post or through electronic mode. Any accidental omission to give notice to, or the non-receipt of such notice by, any member shall not invalidate the proceedings of the meeting.
Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an Extra Ordinary General Meeting	104. (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company. (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra- Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
Contents of requisition, and number of requisitionists required and the conduct of Meeting	105. (1) In case of requisition the following provisions shall have effect: (a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company. (b) The requisition may consist of several documents in like form each signed by one or more requisitionists. (c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter. (d) Where two or more distinct matters are specified in the requisition, the

Title of Article	Article Number and contents
	provisions of sub-clause (c) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled. (e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called: (i) By the requisitionists themselves ; or (ii) by such of the requisitionists 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 the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Act. (2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them: (a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but (b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period. (3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them. (4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
Length of notice of Meeting	106. (1) A General Meeting of the Company may be called by giving not less than clear twenty-one days notice in writing. (2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto: (i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and (ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting. PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.

Title of Article	Article Number and contents
Contents and manner of service of notice	107 (1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat. (2) Subject to the provisions of the Act notice of every General Meeting shall be given; **(a)** to every Member of the Company, in any manner authorised by of Section 20 of the Act**;** (b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for ,the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and (c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 20 of the Act in the case of Members of the Company PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under of Section 20 of the Act, the statement of material facts referred to in Section 102 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company. (3)Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.

Special and ordinary business and explanatory statement	108. (1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors; (ii) the declaration of dividend; (iii) the appointment of Directors in the place, of those retiring; and) the appointment of, and the fixing of the remuneration of the Auditors, and (b) In the case of any other meeting, all business shall be deemed special (2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director. PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.

Title of Article	Article Number and contents
	(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
Omission to give notice not to invalidate proceedings	109. The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.

Title of Article	Article Number and contents
Notice of business to be given	110. No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	111. Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Act.
If quorum not present when Meeting to be dissolved and when to be adjourned	112. If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, 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 and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within 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.
Resolution passed at adjourned Meeting	113. Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	114. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.

Title of Article	Article Number and contents
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required.	114(A) Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	115. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	116. (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	117. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	118. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	119. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than five lakh rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	120. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be

Title of Article	Article Number and contents
	deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	121. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutinizers	122. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of the scrutinizer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	123. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	124. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not earlier than three months but at least fourteen days before the date Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	125. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of monies so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	126. No Member shall exercise any voting rights 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.

Number of votes to which Member entitled	127. Subject to the provisions of Article 125, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.
Votes of Members of unsound mind	128. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	129. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by 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 either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Representation of body corporate	130. (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders o f t h e Company. A person authorised by resolutions aforesaid 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 exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat. (b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor
	may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.
Votes in respects of deceased or insolvent Members	131. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty- eight hours 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 Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respectthereof.
Voting in person or by proxy	132. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act.
Rights of Members to use votes differently	133. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses
Proxies	134. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.

Proxy either for specified meeting or for a period	136. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	137. No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	138. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	139. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set
	out in Section 105 of the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.
Validity of votes given by proxy notwithstanding revocation of authority	139. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or 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, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	140. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	141. 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 the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	142. If any such instrument of appointment is confined to the object of appointing an attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	143. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen.
Directors at time of adoption of Articles	144. The persons hereinafter named are the Directors of the Company at time of adoption of the new set of Articles dated 15/07/2021:- (1) Mr. Asad Daud (2) Mr. Hakim Sadiq Ali Tidiwala (3) Mr. Nikhil Khanderao Raut (4) Mr. Ramesh Chandra Soni (5) Mr. Sanjay Suthar
Debenture Directors	145. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to
	remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	146. a) Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the Corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places. b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company. c) The Nominee Director(s) so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall

	ipso facto vacate such office immediately on the monies owing by the Company to the Corporation being paid off d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, monies or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, monies and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..
	Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such powers and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation(s) nominated him.
Special Director	147. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company , corporation ,firm or person herein-after in this clause referred to as "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter. The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a director under this Article may appoint one such person as a director and so that if more then one collaborator is so entitled there may be at any time as many special directors

	as the collaborators eligible to make the appointment.
Limit on number of retaining Directors	148. The provisions of Articles 145, 146, 147 and 148 are subject to the provisions of Section 152 of the Act and number of such Directors appointed under Article 146 shall not exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	149. The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article
Title of Article	**Article Number and contents**
	shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to the State as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	150. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	151. The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	152. A Director need not hold any qualification shares.
Directors' sitting fees	153. The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

Extra remuneration to Directors for special work	154. Subject to the provisions of Sections 188, 196 and 197 , , , of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Board of Directors, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided. Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of commission if the Company by a Special Resolution authorised such payment.
Title of Article	**Article Number and contents**
Travelling expenses incurred by Directors on Company's business	155. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for travelling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	156. The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.

Board resolution necessary for certain contracts	157. (1) Subject to the provisions of Section 188 of the Act, except with the consent of the Board of Directors given by a resolution at a meeting of the Board , no company shall enter into any contract or arrangement with a related party with respect to— (a) sale, purchase or supply of any goods or materials; (b) selling or otherwise disposing of, or buying, property of any kind; (c) leasing of property of any kind; (d) availing or rendering of any services; (e) appointment of any agent for purchase or sale of goods, materials, services or property; (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and (g) underwriting the subscription of any securities or derivatives thereof, of the company: PROVIDED THAT no member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party. Provided also that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis. Provided also that the requirement of passing the resolution under first proviso shall not be applicable for transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval. (2) In case the paid up capital or transaction exceeds the limits prescribed under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, the contracts or arrangements with respect to that given under clause (1) shall be entered with prior approval of the company by a resolution. (3) Every contract or arrangement so entered into shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
Title of Article	**Article Number and contents**
	(4) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting under clause (1) or clause (2) as the case may be, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director	158. When the Company:- (a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Act shall be complied with.
Disclosure of interest of Directors	159. (a) (1) A director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate , firms, or other association of individuals which shall include the shareholding. (2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into— (a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter , manager, Chief Executive Officer of that body corporate; or (b) with a firm or other entity in which, such director is a partner, owner or member , as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting: PROVIDED THAT where a director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested. (3) A contract or arrangement entered into by the company without disclosure under clause (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.
Title of Article	**Article Number and contents**

Directors and Managing Director may contract with Company	160. Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Act and in this respect all the provisions of Section 189 of the Act shall be duly observed and complied with.
Disqualification of the Director	161. A person shall not be capable of being appointed Director of the Company if:- (a)he has been found to be of unsound mind and stands so declared by a competent court; (b) he is an undischarged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force; (g) he has not complied with sub-section (*3*) of section 152. (h) he has not complied with the provisions of sub-section (1) of section 165. (i) he is or has been a director of a company which has not filed financial statements or annual returns for any continuous period of three financial years; (j) he is or has been a director of a company which has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debenture on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so. Provided that where a person is appointed as a director of a company which is in default of clause (i) or clause (j), he shall not incur the disqualification for a period of six months from the date of his appointment.
Title of Article	**Article Number and contents**

Vacation of office by Directors	162. The office of Director shall become vacant if:- (a) he incurs any disqualification as provided in Article 161. Provided that where he incurs disqualification under clause (i) and (j) of Article 161, the office of the director shall become vacant in all the companies, other than the company which is in default under those sub-clauses. ; or (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board; or (c) he acts in contravention of the provisions of Article 159 relating to entering into contracts or arrangements in which he is directly or indirectly interested (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Article 159; or (e) he becomes disqualified by an order of the Court or the Tribunal; or (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months. Provided that the office shall not be vacated by the director in case of orders referred to in clauses (e) and (f)— (i) for thirty days from the date of conviction or order of disqualification; (ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed of; or (iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of. ; or (g) he is removed in pursuance of the provisions of the Act. (h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary company , associate company , ceases to hold such office or other employment in that company., or
Title of Article	**Article Number and contents**
Removal of Directors	164. (a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles by

	Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Act before the expiry of his period of office, after giving a reasonable opportunity of being heard. Provided that an independent director re-appointed for second term under sub-section (10) of section 149 shall be removed by the company only by passing a special resolution and after giving him a reasonable opportunity of being heard: Provided further that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation. (b) Special Notice shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed. (c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting. (d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so: (i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and (ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations are received by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims t o b e aggrieved, the Tribunal is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter. (e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Act be filled by the: appointment of another Director in his place by the Meeting at which he is removed, provided special
Title of Article	**Article Number and contents**

	notice of the intended appointment has been given under Article 162 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid. (f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 152 or Section 161 of the Act, and all the provisions of that Article and Section shall apply accordingly (g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors. (h) Nothing contained in this Article shall be taken:- (i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director, or (ii) as derogating from any power to remove a Director which may exist apart from this Article.
Interested Directors not to participate or vote in Board's proceedings	165. No Director shall as a Director take part in the discussion of or vote on any contract, arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company; (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely; (i) in his being: (a) a director of such company; and (b)the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the Company, or (ii) in his being a member holding not more than two percent of its paid-up share capital.
Director may be director of companies promoted by the Company	166. A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197(14) or Section 188 of the Act may be applicable.
Appointment of Sole Selling Agents	167. a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 188 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable.
Title of Article	**Article Number and contents**

	b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 188 of the Act.

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of Directors	168. Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.
Retirement of Directors	169. Subject to the provisions of Articles 147 and 149, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	170. Subject to the provisions of Section 152 of the Act and Articles 145 to 152, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 183, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	171. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors. b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	172. Subject to Section 174 of the Act, the Directors retiring by rotation under Article 173 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	173. A retiring Director shall be eligible for re-election and shall act as a Director throughout and t i l l the conclusion of the Meeting at which he retires.
Title of Article	**Article Number and contents**

Company to fill vacancies	174. Subject to Sections 149 and 188 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	175. If the place of 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 public holiday, till the next succeeding day which is not a public holiday, at the same time and place. If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless: (i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost. (ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. (iii) he is not qualified or is disqualified for appointment (iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or (v) the provision of the section 162 of the Act is applicable to the case.
Company may increase or reduce the number of Directors or remove any Director	176. Subject to the provisions of Section 149, and152 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	177. (a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it. (b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions of the automatic re-appointment of retiring Directors in default of another appointment as herein before provided shall apply. (c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Notice of candidature for office of Directors except in certain cases	178. (1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in
Title of Article	**Article Number and contents**

	getting elected as a Director. (2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place. (3) Every person (other than Director retiring by rotation or otherwise a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed. (4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 149 of the Act ,appointed as a Director re- appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.
Disclosure by Directors of their holdings of their Shares and debentures of the Company	179. Every Director shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of Section 170. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of Body Corporate	180. A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the Company and the production of a copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

MANAGING DIRECTOR

Title of Article	Article Number and contents

Powers to appoint Managing Director	181. Subject to the provisions of Section 196, and 203, of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Wholetime Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. (a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013. (b) Subject to the provisions of Sections 152 of the Act and any contract between him and the company, the Managing Director shall be while he continues to hold that office, subjected to retirement by rotation.
Remuneration of Managing Director	182. Subject to the provisions of Sections 196, and197 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	183. Subject to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director	184. The Board may from time to time entrust to and confer upon a Managing Director or Whole time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	185. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
	186. Receipts signed by the Managing Director for any monies, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the

Title of Article	Article Number and contents
	money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such monies shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.
	187. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as he may think fit.
	188. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	188A The Board may, from time to time, appoint any Manager (under Section 2(53) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

WHOLE TIME DIRECTOR

Title of Article	Article Number and contents
Power to appoint Whole Time Director and/or Whole-time Directors	189. Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/ persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine. The Board may by ordinary resolution and / or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and / or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors / persons nominated under Article 191 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of an ordinary resolution or a contract/s or an agreement/s under such

	terms not expressly prohibited by the Act.
Title of Article	**Article Number and contents**
To what provisions Whole time Directors shall subject	190. Subject to the provisions of Section 152 of the Act and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/ they shall be subject to the same provisions as to resignation and removal as the other Directors, and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act at any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	191. If at any time the total number of Managing Directors and Whole Time Directors is more than one, then who shall retire shall be determined by and in accordance with their respective seniorities subject to the provisions of any contract with the company. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	**Article Number and contents**
Meeting of Directors	192. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Act allow otherwise, Directors shall so meet at least once in every one hundred and twenty days and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	193. (a) Subject to Section 174 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time. (b)for the purpose of clause(a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" means any Directors whose presence cannot by

	reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	194. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	195. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	196. Subject to the provisions of Section 203, 186(5) and of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	197. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	198. The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	199 . The meetings and proceedings of any such Committee of the Board consisting of two or 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 regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.

Circular resolution	200. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 198 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board
Title of Article	**Article Number and contents**
	or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	201. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision 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 nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Title of Article	**Article Number and contents**
General powers of management vested in the Board of Directors	202. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;

	(b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;, (c) borrow monies where the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company, its free reserves that is to say, reserves not set apart for any specific purpose and securities premium; (d) to remit, or give time for the repayment of, any debt due from a director.
Title of Article	**Article Number and contents**
Title of Article	**Article Number and contents**
Certain powers of the Board	204. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power: 1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act. 3. Subject to Section 179 and 188 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with 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. 5. To secure the fulfillment of any contracts or engagement 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. 6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to

	provide for the remuneration of such trustee or trustees. 8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon. 9. To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of

	companies. To make and give receipts, releases and other discharges for monies payable to the Company and for the claims and demands of the Company. Subject to the provisions of Sections 179, 185, and 186 and all other applicable provisions of the Act, to invest and deal with any monies of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. 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. To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of monies, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 180 and 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. 16. 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 depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or 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 purpose 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 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 may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a 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 or upon which the capital monies of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of 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 redeemable preference shares or 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. 17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and of 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 and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub- clause. 18. To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager. 19. From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.

	20. Subject to Section 179 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation. 21. At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person 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 subject to the provisions of Section 179 of the Act) 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 any company, or 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 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. 22. Subject to Sections 188 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient. 23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants. 24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India. 25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or

Title of Article	Article Number and contents
	co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power. 27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. 28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. 29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. 30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. 31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. 32. To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. 33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. 34. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company, be necessary or expedient to comply with.

MANAGEMENT

Title of Article	Article Number and contents
Prohibition of simultaneous appointment of	205. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :-

different categories of managerial personnel	a) Managing Director and b) Manager

MINUTES

Title of Article	Article Number and contents
Minutes to be made	206. (1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered. (2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: (a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	207. (a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Act shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	208. Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

THE SECRETARY

Title of Article	Article Number and contents
Secretary	209. The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform
Title of Article	Article Number and contents

	any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Act..
The Seal, its custody anduse	210. **(a) Seal** The Board shall provide for the safe custodyof the Seal,. **(b) Affixing of Seal on deeds and instruments** The seal of the Company shall not be affixed to any instrument except 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 one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence. **(c) Affixing of Seal on Share Certificates** Notwithstanding anything contained in Clause (b) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Share Capital and Debentures) Rules in force for the time being. **(d) Removal of Common Seal outside the office premises** The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office for affixture and for return to safe custody to the Registered Office.

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	211. (a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;

Title of Article	Article Number and contents
	(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	212. The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	213. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
Interim dividend	214. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.
Debts may be deducted	215. (a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance to carry interest, not the right to earn dividend	216. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	217. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the	218. No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any

Title of Article	Article Number and contents
Company's right in respect thereof	Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	219. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	220. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	221. The dividend, interest or monies payable in cash may be paid by electronic mode or cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	222. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Shares in the manner herein provided.
Reserves	223. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.
Dividend to be paid within time required by law.	224. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:- (a) where the dividend could not be paid by reason of the operation of any law; or where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or (c) where there is dispute regarding the right to receive the dividend; or (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or

	(e) where for any other reason, the failure to pay the dividend or to post
Title of Article	**Article Number and contents**
	the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	225. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Sah Polymers Limited _____ *(year)* Unpaid Dividend Account". Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act. No unclaimed or unpaid divided shall be forfeited by the Board.
Set-off of calls against dividends	226. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	227. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	228. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion. (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards; (a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or

	(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)
Title of Article	**Article Number and contents**
	(3) A security premium account, free reserves and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.
Board to give effect	229. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	230. Whenever such a resolution as aforesaid shall have been passed, the Board shall; (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and (b) Generally do all acts and things required to give effect thereto. (2)The Board shall have full power: (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions,also (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares. (3) Any agreement made under such authority shall be effective and binding on all such Members. (4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Title of Article	**Article Number and Contents**
Books to be kept	231. (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place (b) all sales and purchases of goods by the Company (c) the assets and liabilities of the Company and

	(d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven
Title of Article	**Article Number and Contents**
	days of the decision file with the Registrar a notice in writing giving the full address of that other place. (2)Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transactions effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	232. No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board.
Statements of accounts to be furnished to General Meeting	233. The Board of Directors shall from time to time in accordance with Sections 129, and 134 of the Act, cause to be prepared and laid before each Annual General Meeting the financialstatements of the Company for the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136	234. (1) The Company shall comply with the requirements of Section 136 of the Act. The copies of every financial statement, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.
Accounts to be audited	235. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the Financial statements ascertained by one or more Auditor or Auditors.

Appointment of Auditors	236. (1) Auditors shall be appointed, the remuneration shall be fixed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 and 148 of the Act.
Accounts when audited and approved to be conclusive except as to errors discovered	237. Subject to provisions of the Act, Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered after the approval thereof. Whenever any such error is discovered, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article and the provisions of the Act, shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
To whom documents must be served or given	238. Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the
	Company, a statement of material facts under the Articles need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.
Members bound by documents or notices served on or given to previous holders	239. 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 prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	240. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	241. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	242. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other

	security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.
Title of Article	**Article Number and Contents**
Inspection of Registers	243. The registers mentioned in the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as prescribed under the Act and the Rules therein. Copies of entries in the registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting, being working days other than Saturdays.

WINDING UP

Title of Article	**Article Number and Contents**
Winding up of the company	244. Subject to the applicable provisions of the Act and the Rules made thereunder: (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 members, 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 members or different classes of members. (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.
Directors and others right to indemnity	245. (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.
Title of Article	**Article Number and Contents**
Director, officer not responsible for acts of others	246. Subject to the provisions of Section 197 of the Act no Director, director, managing director, whole-time director, manager, company secretary, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Title of Article	**Article Number and Contents**
Secrecy Clause	247. Every Director/Manager, Secretary, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or any other person employed in the business of the Company shall, if so required by the Board of Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	248. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

GENERAL POWER

Title of Article	Article Number and Contents
General Power	249. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

Sl. No.	Signatures, Names, Addresses Descriptions and Occupations of Subscribers	Signatures, Name, Address, Description and Occupation of Witness
1	Sd/- Daud Ali Dawood S/o Abde Ali Dawood 5/1, Bastiramji ki Bari, Udaipur INDUSTRIALIST	I witness signatures of all the subscribers Sd/- Ramesh Chandra Soni S/o Shri Madan Lal Soni 79, Chhoti Mohalwara Street Dhan Mandi, Udaipur CHARTERED ACCOUNTANT
2	Sd/- Hatim Ali Dawood S/o Abde Ali Dawood 5/1, Bastiramji ki Bari, Udaipur INDUSTRIALIST	
3	Sd/- Shabbir Hussain Dawood S/o Mohd. Hussain Dawood 5/1, Bastiramji ki Bari, Udaipur INDUSTRIALIST	
4	Sd/- Mohammed Hussain Dawood S/o Akbar Ali Daud 5/1, Bastiramji ki Bari, Udaipur INDUSTRIALIST	
5	Sd/- Rashida Daud W/o Inayat Hussain Opp. Park Hotel, Saheli Marg, Udaipur BUSINESS	
6	Sd/- Zubeda Daud W/o Munawer Hussain 5/1, Bastiramji ki Bari, Udaipur BUSINESS	
7	Sd/- Batool Daud W/o Hatim Ali 5/1, Bastiram i ki Bari, Udaipur BUSINESS	

Date : 8-04-1992
Place : Udaipur

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 our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus/Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at E-260-261 Mewar Industrial Area Madri Udaipur Rajasthan 313003 India from date of filing the Red Herring Prospectus with RoC on working days from 10.00 a.m. to 5.00 p.m. until the Bid Closing Date

Material Contracts

1. Issue Agreement dated September 20, 2021 between our Company and the BRLM;
2. Registrar Agreement dated September 20, 2021 2021 between our Company and Link InTime India Private Limited, Registrar to the Issue;
3. Underwriting Agreement dated [●] between our Company and Underwriter viz. BRLM;
4. Market Making Agreement dated [●] between our Company, Market Maker and the BRLM;
5. Bankers to the Issue Agreement dated [●] amongst our Company, the BRLM, Banker(s) to the Issue, Sponsor Bank and the Registrar to the Issue;
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated December 06, 2018;
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated September 28, 2021;
8. Syndicate Agreement dated [●] between our Company, the BRLM and Syndicate Member.

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolutions of the Board of Directors dated August 23, 2021 in relation to the Issue and other related matters;
3. Copy of Board Resolution dated March 11, 2020 setting out terms and conditions for appointment of Asad Daud as Managing Director;
4. Shareholders' resolution dated September 13, 2021 in relation to the Issue and other related matters;
5. Statement of Tax Benefits dated September 16, 2021 issued by M/s. Ajay Paliwal & Co.
6. Copies of the annual reports of our Company for the financial years ended as on March 31, 2021, 2020 and 2019
7. Report of the peer reviewed Auditor M/s. Ajay Paliwal & Co. dated September 16, 2021 on the Restated Financial Statements for the period ended on June 30, 2021 and financial years ended as on March 31, 2021, 2020 and 2019 of our Company.
8. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker to the Company, Legal Advisor to the issue, the Book Running Lead Manager, Registrar to the issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the Issue/Sponsor Bank and Syndicate Member to act in their respective capacities.
9. Due diligence certificate dated [●] from the BRLM.
10. Copy of In-Principle approval from National Stock Exchange of India Limited *vide* letter dated [●], to use the name of National Stock Exchange of India Limited in this issue document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.

    None of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Asad Daud *Managing Director* *DIN* – 02491539	Sd/-
Hakim Sadiq Ali Tidiwala *Whole time Director* *DIN* – 00119156	Sd/-
Ramesh Chandra Soni *Independent Director* *DIN* – 00049497	Sd/-
Nikhil Khanderao Raut *Independent Director* *DIN* – 06653335	Sd/-
Sanjay Suthar *Independent Director* *DIN* –07777202	Sd/-
Chetna *Independent Director* *DIN- 08981045*	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Lalit Kumar Bolia **Debanshu Deb**

Sd/- **Sd/-**

Chief Financial Officer **Company Secretary and Compliance Officer**

Place: ***Udaipur***

Date: October 7, 2021

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 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.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	-7.69% (4.84%)	-19.33% (-0.59%)
2.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	-3.49% (3.53%)	-8.70% (-0.73%)
3.	Artedz Fabs Limited	8.32	36.00	March 29, 2019	40.00	5.56% (1.12%)	-9.44% (1.92%)	-34.17% (-0.31%)
4.	Par Drugs and Chemicals Limited	8.53	51.00	May 16, 2019	52.90	-6.47% (5.03%)	-7.84% (-2.94%)	-11.96% (5.83%)
5.	Suich Industries Limited	30.86	75.00	June 13, 2019	68.50	-42.00% (-2.53%)	-61.93% (-6.53%)	-80.67% (1.88%)
6.	Gensol Engineering Limited	17.93	83.00	October 15, 2019	85.40	0.06% (4.18%)	0.06% (8.03%)	2.41% (-22.37%
7.	Mangalam Global Enterprises Limited	21.57	51.00	November 27, 2019	53.00	1.96% (0.21%)	5.10% (-2.24%)	Not Available*
8.	Madhav Copper Limited (FPO)	25.50	102.00	February 06, 2020	102.00	-23.04% (-9.46)	Not Available*	Not Available*
9.	V-Marc India Limited	23.40	39.00	April 9, 2021	46.50	-15.48 % (-0.08%)	-31.08 % (7.04%)	Not Available
10.	Exxaro Tiles limited	160.78	120.00^	August 16, 2021	126.00	23.74% (0.06%)	Not Available	Not Available

**Since, Mangalam Global Enterprises Limited and Madhav Copper Limited are migrated from SME platform to Main board platform, historical price of such scripts are not available.*

^Discount of Rs. 12 offered to Eligible employees. All calculations based on Rs. 120 per equity share.

Note:

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
19-20	*4$	78.89	-	1	1	-	-	2	1	-	1	-	-	1
20-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21-22	**2	184.18	-	-	1	-	-	1	-	-	-	-	-	-

*The script of Par Drugs and Chemicals Limited, Suich Industries Limited, Gensol Engineering Limited, Mangalam Global Enterprises Limited were listed on May 16, 2019, June 13, 2019, October 15, 2019 and November 27, 2019 respectively.

$ The share price of Mangalam Global Enterprises Limited is not available as of 180th day as the same has been migrated from sme platform to main board platform.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

** The Script of V-Marc India Limited was listed on April 9, 2021 and Exxaro Tiles Limited was listed on August 16, 2021.***Note:*** *Madhav Copper Limited is Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2019-2020 and the same has not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only*.