

**SHARANAM INFRAPROJECT AND TRADING LIMITED**  
**Corporate Identification Number: L45201GJ1992PLC093662**

Sharanam Infraproject and Trading Limited ("Company" or "Issuer") was originally incorporated as 'Skyhigh Projects Limited' on 5th February 1992 as a Public Limited Company under the Companies Act, 1956. The name of the Company was changed from Skyhigh Projects Limited to Sharanam Infraproject and Trading Limited with effect from 29<sup>th</sup> Day of July, 2015 and fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad.

**Registered Office:** 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur, Ahmedabad Gujarat 380051- India;  
**Tel. No.:** 079-2970 7666; **Email:** sharanaminfraproject@gmail.com; **Website:** www.sharanaminfra.co.in;  
**Contact Person:** Mr. Jinesh Deepakkumar Mistry, Company Secretary and Compliance Officer

<b>The company is a professionally managed company and functions through their Board of Directors. The Company doesn't have any identifiable promoter.</b>		
<b>FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SHARANAM INFRAPROJECT AND TRADING LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY</b>		
<b>ISSUE OF UPTO 7,50,01,500 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 1 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 750.015 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 3 RIGHTS EQUITY SHARES FOR EVERY 2 FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON MONDAY, MAY 22, 2023 (THE "ISSUE"). FOR DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 93.</b>		
<b>THE ISSUE PRICE OF EACH RIGHTS EQUITY SHARE IS 1 TIME OF THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 93.</b>		
<b>WILFUL DEFAULTER OR FRAUDULENT BORROWER</b>		
Neither our Company nor any of our Promoters or Directors has been categorized as a Wilful Defaulter or Fraudulent Borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines issued by the Reserve Bank of India.		
<b>GENERAL RISK</b>		
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of the investors is invited to the section titled "Risk Factors" on page 19 of this Letter of Offer.		
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>		
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.		
<b>LISTING</b>		
The existing Equity Shares are listed on BSE Limited ("BSE") (the "Stock Exchange"). Our Company has received 'in-principle' approval from the BSE for listing of the Rights Equity Shares to be allotted pursuant to this Issue through its letter dated March 24, 2023. Our Company will also make application to the Stock Exchange to obtain their trading approval for the Rights Entitlement as required under the SEBI circular. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited		
<b>REGISTRAR TO THE ISSUE</b>		
	<b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b>	
	<b>Address:</b> D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020	
	<b>Tel:</b> 011-40450193/97; <b>Email:</b> ipo@skylinerta.com	
	<b>Investor Grievance Email:</b> investor@skylinerta.com	
	<b>Website:</b> www.skylinerta.com	
	<b>Contact Person:</b> Mr. Anuj Kumar	
	<b>SEBI Registration No.:</b> INR000003241	
	<b>CIN:</b> U74899DL1995PTC071324	
<b>ISSUE PROGRAMME</b>		
<b>ISSUE OPENS ON</b>	<b>LAST DATE FOR ON MARKET RENUNCIATION*</b>	<b>ISSUE CLOSSES ON#</b>
<b>WEDNESDAY, MAY 31, 2023</b>	<b>TUESDAY, JUNE 6, 2023</b>	<b>FRIDAY, JUNE 9, 2023</b>
<i>* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.</i>		
<i># Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.</i>		

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

*Notwithstanding the foregoing, terms used in “Statement of Tax Benefits” and “Financial Information” beginning on pages 43 and 55, respectively of this Letter of Offer, shall have the meaning given to such terms in such sections.*

### COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “SIPTL”, “the Issuer”	Sharanam Infraproject and Trading Limited, a Public Limited Company incorporated under the Companies Act, 1956, having its registered office at 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur, Ahmedabad 380051.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“Articles” / “Articles of Association” / “AOA”	Articles / Articles of Association of our Company, as amended from time to time.
“Annual Audited Financial Statements” or “Annual Audited Financial Information”	The audited financial statements of our Company for the year ended March 31, 2023 prepared in accordance with IND AS which comprises the balance sheet as at March 31, 2023, the statement of profit and loss, including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended March 31, 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information read along with the report thereon.
“Audit Committee”	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“ <b>SEBI Listing Regulations</b> ”) and Section 177 of the Companies Act, 2013.
“Auditor” / “Statutory Auditor”/ “Peer Review Auditor”	M/s A K Ostwal & Co. vide Registration No.: 107200W. The office address of auditor is –517, Jeevandeep Complex, Nr. Nirmal Hospital, Ring Road, Surat – 395002.
“Board” / “Board of Directors”	Board of directors of our Company or a duly constituted committee thereof.
“Independent Director(s)”	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
“Key Management Personnel” / “KMP”	All the person falling under the definition of KMP as per Regulation 2(1) (bb) of the SEBI ICDR Regulations, 2018 and Section 2(51) of the Companies Act, 2013.
“Nomination and Remuneration Committee”	The committee of the Board of directors reconstituted as our Company’s nomination and remuneration committee in accordance with Regulation 19 of the of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“ <b>SEBI Listing Regulations</b> ”) and Section 177 of the Companies Act, 2013
“Non-executive Directors”	Non-executive Directors of our Company.
“Non-Executive and Independent Director”	Non-executive and independent directors of our Company, unless otherwise specified.
“Chief Financial Officer / CFO”	Pareshbhai Ranchhodbhai Devaiya, the Chief Financial Officer of our Company.
“Company Secretary and Compliance Officer”	Jinesh Deepakkumar Mistry, the Company Secretary and Compliance Officer of our Company.
“Memorandum of Association” / “MOA”	Memorandum of association of our Company, as amended from time to time.



Term	Description
“Stakeholders’ Relationship Committee”	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.
“Equity Shareholder”	A holder of Equity Shares.
“Equity Shares”	Equity shares of our Company of face value of ₹ 1 each.
“Registered Office”	The registered office of our Company located at: 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur Ahmedabad Gujarat 380051- India
“Registrar of Companies”/ “ROC”	Registrar of Companies, Gujarat at Ahmedabad situated at ROC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat, India.
“Shareholders/ Equity Shareholders”	The Equity Shareholders of our Company, from time to time.

## ISSUE RELATED TERMS

Term	Description
“Abridged Letter of Offer” or “ALOF”	Abridged Letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
“Allotment”, “Allot” or “Allotted”	Allotment of Equity Shares pursuant to the Issue
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, ICICI Bank
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the issue.
Allotment Date	Date on which the Allotment is made pursuant to this Issue
“Applicant(s)” or “Investors”	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Letter of Offer
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form (including online application form through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price
“Application Supported by Blocked Amount” or “ASBA”	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a the ASBA Account maintained with the SCSB
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Banker(s) to the Issue	Axis Bank Limited
Banker to the Issue Agreement	Agreement dated May 15, 2023 amongst our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable,

Term	Description
	refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “Terms of the Issue” beginning on Page 93 of this Letter of Offer
“Controlling Branches” or “Controlling Branches of the SCSBs”	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of Applicants / Investors including the Applicant’s / Investor’s address, name of the Applicant’s / Investor’s father/ husband, investor status, occupation and bank account details, where applicable
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
“DRAFT Letter of Offer” or “DLOF”	This Draft Letter of offer filed with the Stock Exchange
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares of our Company as on the Record Date
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors
“Escrow Collection Bank”, “Allotment Account Bank(s)” or “Refund”	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being Axis Bank Limited
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date being Monday, May 22, 2023 and the Renouncee(s).
ISIN	International securities identification number
Issue / Rights Issue	Issue of up to 7,50,01,500 equity shares with a face value of ₹1/- each (“rights equity shares”) of our company for cash at a price of ₹1/- each (“issue price”) for an aggregate amount up to ₹ 7,50,01,500* on a rights basis to the existing equity shareholders of our company in the ratio of 3 Right equity shares for every 2 Fully paid-up equity shares held by the existing equity shareholders on the record date, that is on Monday, May 22, 2023 (the “issue”). *Assuming full subscription with respect to Rights Issue.
Issue Closing Date	Friday, June 9, 2023
Issue Opening Date	Wednesday, May 31, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	Re. One (₹ 1/-) per equity share
“Issue Proceeds” or “Gross Proceeds”	Gross proceeds of the Issue
Issue Size	Amount aggregating up to ₹ 7,50,01,500/- (Rupees Seven Crores Fifty Lakhs and One thousand five hundred only)# Assuming full subscription
“Letter of Offer” or “LOF”	This Letter of Offer dated May 23, 2023, filed with the Designated Stock Exchange (BSE), and with SEBI for purposes of record keeping.
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Material Subsidiaries	Our Company does not have any Material Subsidiaries as of now except as defined under “Subsidiaries” above.
MCA Circulars	General Circular No. 21/2020 dated May 11, 2020 issued by the Ministry of Corporate Affairs, Government of India, read with the circular dated August 3, 2020
Multiple Application Forms (MAF)	Multiple application forms submitted by an Eligible Equity Shareholder / Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary

Term	Description
	applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see “Objects of the Issue” mentioned on page 38 of this Letter of Offer
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws, on or before Thursday, June 8, 2023.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Tuesday, June 6, 2023.
“Qualified Institutional Buyers” or “QIBs”	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being Monday, May 22, 2023.
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited
Registrar to the Company	MCS Share Transfer Agent Limited
“Registrar to the Issue” / “Registrar”	Skyline Financial Services Private Limited
Registrar Agreement	Agreement dated October 11, 2022 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date Wednesday, May 31, 2023. Such period shall close on Tuesday, June 6, 2023 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor / RII	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 200,000 (including an HUF applying through karta) in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlement(s)	Number of Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 3 Equity Shares for every 2 Equity Shares held by an Eligible Equity Shareholder.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares / Rights Shares	Equity Shares of our Company having a face value of ₹ 1.00 per share and to be Allotted pursuant to the Issue.
SEBI Rights Issue Circulars	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange

Term	Description
Wilful Defaulter	Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Ahmedabad are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Ahmedabad are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

## CONVENTIONAL & GENERAL TERMS/ABBREVIATIONS

Term	Description
“₹”, “Rs.”, “Rupees” or “INR”	Indian Rupees
A/c	Account
AGM	Annual General Meeting
Adjusted loans and advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
ASBA Circulars	Collectively, SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
AUM	Assets under management
AY	Assessment year
Bn	Billion
BSE	BSE Limited
CAGR	Compound Average Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
NSDL	National security depository Limited
CIN	Corporate Identification Number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act, 2013	Companies Act, 2013 along with the rules made thereunder
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020 or may be announced under same Headings
CSR	Corporate Social Responsibility
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CRPC	Code of Criminal Procedures 1973
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant's identification
DIN	Director Identification Number
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortization expense, as presented in the statement of profit and loss (Earning Before Interest, Depreciation and Tax Amortization)
EGM	Extraordinary general meeting
EPS	Earnings per Equity Share
ERP	Enterprise Resource Planning

Term	Description
Exchange Information	Collectively constitutes and includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with press releases, announcements, investor education presentations and annual reports.
FCNR Account	Foreign currency non-resident account
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year", "Fiscal Year" or "Fiscal"	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First Information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender (FEO)	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
Government / GOI	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards prescribed under Section 133 of the Companies Act, as notified under the Companies (Indian Accounting Standards) Rules, 2015
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Income-tax Act / I.T. Act / IT Act	Income-tax Act, 1961
I. T. Rules	Income Tax Rules, 1962
India	Republic of India
IPO	Initial public offering
ISIN	International Securities Identification Number allotted by the depository
IT / IT Act	Information Technology, Information Technology Act, 2000
Listing Agreements	Equity listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations read along with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
Mn.	Million
MOU	Memorandum of Understanding
Mutual Fund	Mutual fund registered with SEBI under the SEBI (Mutual Fund) Regulations, 1996.
NA / N.A.	Not Applicable
NACH	National Automated Clearing House which is a consolidated system of ECS
NAV	Net asset value
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not



Term	Description
	include reserves created out of revaluation of assets, writeback of depreciation and amalgamation
NI Act	Negotiable Instruments Act, 1881
NSDL	National Securities Depositories Limited
NR / Non-Resident	A person resident outside India, as defined under the FEMA
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NRI	A person resident outside India as Non-Resident Indian, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NSE	National Stock Exchange of India Limited
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 and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA.
OCI	Overseas Citizen of India
p.a.	Per Annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price / Earnings Ratio
PIO	Persons of Indian Origin
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Registered Foreign Portfolio Investors / Foreign Portfolio Investors / FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Regulation S	Regulations S under the Securities Act
RTGS	Real Time Gross Settlement
RONW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI PIT Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SDR	Strategic Debt Restructuring
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
State Government	Government of a state of India
TAN	Tax Deduction Account Number
Trade Marks Act	Trade Marks Act, 1999
UAE	United Arab Emirates
U.S.	United States of America

Term	Description
USD	United States Dollar
U. S. QIB	A qualified institutional buyer as defined in Rule 144A under the Securities Act
US Securities Act	United States Securities Act of 1933
VCF	A venture capital fund (as defined and registered with SEBI under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
YOY	Year on Year

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the Securities Contracts (Regulation) Act, 1956, the SEBI ICDR Regulations, the Depositories Act and the rules and regulations made thereunder.

## NOTICE TO INVESTORS

The distribution of Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier Letter of Offer/ Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access Letter of offer, Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchange, subject to the applicable law.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and Letter of Offer, Draft Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

Receipt of Letter of Offer, Draft Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, Letter of Offer, Draft Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Letter of Offer, Draft Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send Letter of Offer, Draft Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations.

If Letter of Offer, Draft Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, Draft Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction.

Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of Letter of offer, Draft Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of Letter of Offer, Draft Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR.**

**AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN**



## **INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

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

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer/ Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address and a valid e-mail address. The Issue Materials will be sent only to the valid e-mail address of the Eligible Equity Shareholders and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the “**US SEC**”), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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

### **ENFORCEMENT OF CIVIL LIABILITIES**

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon

the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the “**Civil Procedure Code**”). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## PRESENTATION OF FINANCIAL INFORMATION

### Certain Conventions

All references to “India” contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GOI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see “Financial Information” mentioned in Letter of offer. Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GOI has adopted the Indian accounting standards (“Ind AS”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“IFRS”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “Ind AS Rules”). The Audited Financial Statements of our Company for the Financial Year ended on March 31, 2023 have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see “Financial Information” on page 55 of this Letter of offer.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;

- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operation” in this report and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

### Exchange Rates

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

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

Sr. No.	Name of Currency	Currency @31st March 2023	Currency @31st March 22
1	\$ (United states Dollars)	82.217	75.801

(Source: RBI reference rate)

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us.

The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” mentioned in this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

We have included statements in this Letter of Offer which contain words or phrases such as “will”, “may”, “aim”, “is likely to result”, “believe”, “expect”, “continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “pursue” and similar expressions or variations of such expressions, that are “forward looking statements”

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;

- Demand for our current products and our ability to introduce new products and implement our growth strategies;
- The outcome of any legal or regulatory proceedings we are or may become a party to;
- Changes in Indian and/or foreign laws and regulations, including tax, accounting, banking, securities, insurance and other regulations;
- Changes in the pricing environment in India; and regional or general changes;
- Emergence of new competitors;
- Occurrence of natural calamities or natural disasters affecting the areas in which our Company has operations;
- Availability of adequate debt and equity financing at commercially acceptable terms;
- General, political, economic, social and business conditions in Indian and other global markets;
- Significant competition in our businesses may limit our growth and prospects;
- Dependence on a number of key management personnel and senior management personnel and our ability to attract and retain qualified personnel;
- Our risk management and internal controls, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed;
- Claims by clients or actions by regulators or both for alleged mis-selling

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 19, 51 and 82 in this Letter of offer respectively, of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct.

Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoter, the Syndicate Member(s) nor any of their respective affiliates or advisors 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 the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

## SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, “**Risk Factors**”, “**Objects of the Issue**”, “**Our Business**” and “**Outstanding Litigation and Defaults**” on pages 19, 38, 51 and 87 in this Letter of Offer.

### 1. Summary of Business

Company is engaged in supply chain distribution of Various Steel Products including building materials in Gujarat & nearby States. Since company was not very significantly operative, but post new Professional management on boarding, company has arrived to a decision to enter and trade and fill Gap in Supply chain management for steel products in Gujarat.

Following is the non-exhaustive list of infrastructural products supply chain distribution:

- Seamless or welded steel pipes
- Blooms and slabs
- Welded pipe
- Electric resistance welding (ERW)
- High frequency induction welding (HFI)
- Longitudinal submerged arc welding (LSAW)
- Seamless pipe
- Oil and gas industry usage
- Real Estate and Infrastructural projects

### 2. Objects of the Issue

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

(₹ in lakhs)		
Sr. No.	Particulars	Estimated Amount*
(A)	Gross proceeds of the Rights Issue*	750.015
	Less: Issue related expenses (approx.)**	50.000
	<b>Net proceeds of the Rights Issue</b>	<b>700.015</b>
(B)	Utilization of the net proceeds of the Rights Issue	
	To meet the working capital requirements of the company	700.015
	<b>Total Net Proceeds*</b>	<b>700.015</b>

\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio.

\*\* This includes corporate compliance, issue related fee, auditors fee and other fees

The specific details on the objects are stated in the chapter ‘Objects of the Issue’ on Page No. 38 of this Letter of Offer for the sake of brevity.

### 3. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Company does not have any promoter. Shares are owned by public and company is operated and run by professional management. Since there is no promoter in the company, the participation by promoters in the Issue doesn’t arise.

### 4. Summary of Outstanding Litigation

There is no Criminal, Commercial Litigation or commercial arbitration pending against our company or our directors in Capacity of company’s authorised signatory or director. Also, there is no pending or even initiated pending case against our Directors as well.

### 5. Risk Factors

Please see the chapter titled “Risk Factors” beginning on page 19 of this Letter of Offer.

**6. Summary of Contingent Liabilities**

As of now there is no contingent liability which can disturb our historical or projected financial or any activity of company, subject to govt. guidelines and actions.

**7. Summary of Related Party Transactions.**

For details regarding our related party transactions for the financial year ended on March 31, 2023, see “Financial Information” at page 55 of this Letter of Offer.

**8. Issue of equity shares made in last one year for consideration other than cash.**

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.



## SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Our Business” on Page No. 51, “Our Management and Organisational Structure” on Page no. 53 and “Financials Information” on Page No. 55. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

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

*In this Letter of Offer, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 19 and “Financials Information” on Page No. 55 of this Letter of Offer unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Financial Information” prepared in accordance with the Indian Accounting Standards.*

*However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality:*

### **Materiality:**

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

- *Some events may have material impact quantitatively;*
- *Some events may have material impact qualitatively instead of quantitatively;*
- *Some events may not be material individually but may be found material collectively;*
- *Some events may not be material at present but may be having material impact in future.*

## **INTERNAL RISK FACTORS**

### **INTERNAL RISKS**

#### **1. We depend on our corporate logo that we may not be able to protect and/or maintain.**

Our ability to market and sell our products which depends upon the recognition of our brand names and respect we earned during the course of business. We have not yet applied trademark registration for our Corporate Logo. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for our Company. There is no guarantee that the application for registration of our logo will be accepted in favour of the Company whenever applied. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business,

financial condition, results of operations and prospects. In addition to same, 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.

**2. *Our operating results could be adversely affected by weakening of economic conditions due to lock-down in all parts of India and other parts of world & other situation due to pandemic Covid-19.***

Our overall performance depends in part on the economic conditions of India. Certain economies have experienced periods of downturn due to the present situation prevailing in India and outside India due to pandemic disease of Covid-19 which impacts financial markets, concerns regarding the stability and viability of major financial institutions, declines in gross domestic product, increases in unemployment, volatility in commodity prices and worldwide stock markets, and excessive government debt. The pandemic disease has adversely affected the real estate and trading business.

Moreover, the instability in the global economy affects countries in different ways, at different times and with varying severity, which makes the impact to our business unforeseeable and indeterminate. Any of these events, as well as a general weakening of, or declining corporate confidence in the global economy, or a curtailment in government or customer spending could delay or decrease our revenues and therefore have a material adverse effect on our business, operating results and financial condition.

**3. *We have taken the office on Rent for usage as a registered office of our Company.***

We have entered into Rent Agreement with owner of premises which we used for the purpose of operation of the company and show it as a registered office of the company.

Non-renewal of rent agreement or any dispute on property or any dispute between Promoter and landlord of premises might affect our use of such property as registered office of our Company, which could materially and adversely affect our reputation, business operations and have to pay increased rentals.

**4. *It is difficult to predict our future performance, or compare our historical performance between periods, as our revenue fluctuates significantly from period to period.***

As per our policy, revenue is recognized upon development of real estate sector only. It might possible that builder may not release the payment in time as their projects broadly takes 2 to 3 years to complete. In addition, we cannot predict with certainty the growth of the real estate sector in a long run too. As a result of one or more of these factors, we may record significant turnover or profits during one accounting period and significantly lower turnover or profits during prior or subsequent accounting periods. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative of our future performance.

For further details of financial statements, please refer to chapter titled “Financial Information of our Company”.

**5. *Certain information in this Letter of Offer is based on management estimates which may change, and we cannot assure you of the completeness or the accuracy of other statistical and financial data contained in this Letter of Offer.***

Certain information contained in this Letter of Offer is based solely on management estimates and our business plan and has not been appraised by any bank, financial institution or independent agency. In addition, we are fully relied on real estate industry for which we relied on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. Industry facts and other statistics have been prepared by us and the same have not been independently verified by any industry expert or advisers and, therefore we make no representation as to their accuracy or completeness. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon.

**6. *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 use systems/equipment 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 use such systems/equipment effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market and other data or the strategies we use or plan in future to use will be successful under various market conditions.

**7. Our company has incurred a loss in a financial year during previous 3 financial years.**

Our company has incurred a loss during previous 3 financial years. The details of profit or loss incurred are as follows;  
(₹ in Lakh)

Particulars	F.Y. 2022-23	F.Y. 2021-22	F.Y. 2020-21
Profit (Loss) After Tax	(16.71)	2.28	0.29

**8. Monitoring agency is not required to be appointed as per these Regulations.**

The company has not appointed any monitoring agency because the size of the Rights Issue doesn't exceed ₹ 100.00 Crore and therefore, deployment of the issue proceeds is entirely at the discretion of the issuer.

**9. Negative cash flow from operating activities in the last three financial years.**

Our Company had negative cash flows from our investing activities as well as financing activities in the previous years as per the Financial Statements and the same are summarized as under..

(₹ in Lakh)

Particulars	F.Y. 2022-23	F.Y. 2021-22	F.Y. 2020-21
Net Cash Generated from Operating Activities	(18.62)	0.14	(0.44)
Net Cash Generated from Investing Activities	0.00	0.00	(1.72)
Net Cash Generated from Financing Activities	16.84	0.00	0.00

**10. We may not be able to manage our growth strategy effectively or it may change in the future.**

Our business strategy includes the development business in and around Ahmedabad city only. Our developments have primarily focused builders only. In the future, we may decide to undertake projects in additional business lines connected to of real estate, such as trading of sand, cements, bricks etc. Sales strategies also differ from product to product. We may not be able to capitalise on our strategy to develop other trading lines if we fail to generate adequate sales therein. This future growth may strain our managerial, operational, financial and other resources. If we are unable to manage our growth strategy effectively, our business, financial condition and results of operations may be adversely affected. In addition, depending on prevailing market conditions, regulatory changes and other commercial considerations, we may be required to change our business model and we may therefore decide not to continue to follow our business strategies described in this Letter of Offer.

**11. Our Company is dependent on manufacturer or wholesaler for the supply of TMT Bars is exposed to risks relating to fluctuations in commodity prices and shortage of such materials. Further, we do not have any long term supply agreements with the manufacturer.**

We are purely dependent on the supply chain of manufacturer. Fluctuations in raw material affect the pre-booked order from builder. Though we maintain good relations with our manufacturer, we have not entered into any agreement or understanding for procuring these materials and based on price and availability, we select the best manufacturer at the time of requirement. In the absence of such contracts, our manufacturer is not obligated to continue their supply to us or provide us the materials at a particular rate. They may prefer other regular or contractual trader over us, thus resulting in delays in procuring such materials or in incurring additional cost for the same. If our suppliers do not wish to continue their relationship with us for any reason, we may not be able to identify a suitable manufacturer with the quality of materials desired by us within a reasonable time frame or at all. Any disturbance in supply to builder may affect loss of revenue collection or resulting into bad debts or late payment.

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

Our Company is mainly engaged in business of trading of TMT bars which attracts various tax liability such as Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raised by concerned authority in future for any previous year and current year will affect the financial position of the Company.

**13. Any failure in our business methodology could adversely affect our business.**

We use our established process for business development. We usually maintain all record contains our inventories, material deployment and order and various other tasks that are required on day-to-day affairs of the company. Any delay in implementation or disruption of the functioning of our information systems could affect our ability to assess the

progress of our projects, process financial information, manage creditors or debtors or engage in normal business activities. Any such disruption could have an adverse effect on our business operations and financial condition.

***14. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of funds may not be recoverable, which may result in write offs of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

***15. Our business is heavily dependent on the performance of, and the prevailing conditions affecting, the real estate market in Ahmedabad and in India generally.***

Our business is purely relied on real estate projects. We deal in a specific locality i.e. Ahmedabad. As a result, our business, financial condition and results of operations have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting, the real estate market in Ahmedabad and in India generally.

The real estate market in Ahmedabad and in India generally may be affected by various factors outside our control, including, among others:

1. prevailing local economic, income and demographic conditions;
2. availability of consumer financing (interest rates and eligibility criteria for loans);
3. availability of and demand for properties comparable to those we develop;
4. changes in governmental policies relating to zoning and land use;
5. changes in applicable regulatory schemes; and
6. the cyclical nature of demand for and supply of real estate.

These factors may directly affect our business too.

***16. We may not be able to generate profits at the same rate of return that we earned from our historical projects.***

The profits that we generate from our trading activity may not be utilised in our business all the time and we may not utilise capital in the most efficient manner. For example, there may be periods during which we may deposit funds in fixed deposits or other short-term investments that generate low post-tax returns. We may also invest in mutual funds which are exposed to market and credit risks and may not generate rates of return above the rates of return we earn on our other investments, or at all, or such investments may result in losses. Our failure to generate rates of return on our capital equal to or above the rate of return we earn on our trading activity may decrease our return on net worth and capital employed, which may in turn adversely affect our business prospects, financial condition and results of operation.

***17. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and avoid fraud. Moreover, any internal controls that we may implement or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that additional deficiencies in our internal controls will not arise in the future or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls.

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

Our Company has not identified any alternate source of funding for our investment and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability of our Company. The delay/shortfall in receiving these proceeds may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled “Object for the Issue” beginning on Page 38 of this Letter of Offer.

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

Our business is capital intensive and we may plan to make additional capital expenditures to complete the routines financial requirements. Our ability to pay dividends could also be restricted under certain financing arrangements that we may enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements business, financial condition and results of operations.

***20. The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India’s economic liberalization and deregulation policies; and significant developments in India’s fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

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

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

***22. The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control: volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;

- our profitability and performance;
- changes in financial analysts’ estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the real estate sector;
- adverse media reports about us or the Indian real estate sector;
- significant developments in India’s economic liberalisation and deregulation policies;
- significant developments in India’s fiscal and environmental regulations; - economic developments in India and in other countries; and - any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks. Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

**23. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**ISSUE SPECIFIC RISKS**

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case the Rights Entitlements do not get credited in time, or in case of On Market Renunciation, such Renouncee will not be able to apply in the Issue with respect to such Rights Entitlements.

**2. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, October 01, 2021 (SEBI Rights Issue Circular) streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. Further, while in accordance with the SEBI Rights Issue Circulars, the credit of Rights Entitlements shall be made into the demat accounts of the Eligible Equity Shareholders as on the Record Date, such Eligible Equity Shareholders shall participate in the Issue only in accordance with the applicable laws in their respective jurisdictions.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

**3. *We cannot guarantee that the Equity Shares issued under this Issue will be listed on the Stock Exchanges in a timely manner, if at all.***

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchanges for final approval for listing and trading of the Equity Shares. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period. Any failure or delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, may not be indicative of the prices at which the Equity Shares will trade in the future.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian Company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of 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 our 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 our 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 our Equity Shares Rights Entitlements.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges 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.

These amendments have been notified on December 10, 2019; however, these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also 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 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.

**5. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**6. *Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.***

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making

such rights available to holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the US Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the US Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

**7. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.***

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

### **EXTERNAL RISK FACTORS**

**1. *Our Company is engaged into trading of TMT bars and other finished steel products. The aid business is purely dependent on development of real estate, infrastructural sector. The downfall or slack in the said business affect our business model.***

The business of our company is involved in supplies of products to various other businesses which are engaged in a similar or non-similar business industry. Any affect in the industry of our customers will have the direct impact on our business.

**2. *Trading business is purely dependent on the ability to sale the product in market therefore our future success largely depends on our trading ability. Our inability in the said line in future would affect badly to the company's business.***

The company is engaged primarily into the business trading and in due to any unforeseen reasons in the future which cannot be tracked and mitigated now, if there happens any inability in the said trading activity, the same would directly impact upon the profitability of the company and further on the Shareholders' Value.

**3. *We may not be able to successfully close the various deals with builders & infrastructure companies, which may affect our business and growth prospects.***

Negotiation is an integral exercise during the functioning of the company and the same is required to be done with due care. There may arise certain situations where the common point of understanding between our company and counterpart may not exist which can lead to failure in closing the deals with our customers and suppliers. The impact of which will be on the Costs and Revenue.

**4. *We generate our entire sales from our operations in certain geographical regions of Ahmedabad, Gujarat and any adverse development affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

Any adverse development in the areas in which our company operates will have significant effect on our business.

**5. *We purely rely on product of various companies and any failure on their part to perform their obligations could adversely affect our business, results of operations, and cash flows.***

Our business is primarily engaged in the business of trading and is majorly dependent on the suppliers for further supplies. Any effect on their businesses or their failure to fulfil the obligations will affect our operations.

**6. *We cannot assure you that the supply of high-quality TMT bars or steel finished goods will be free from any and all defects, though it is procured from reputed brands.***

There is always a minimal amount of probability of occurrence of defects in the goods even if the same are supplied by reputed businesses. The same may affect our operations.



**7. Significant increases in prices of, or shortages of, or delay or disruption in supply of TMT Bars or other steel products could affect the business of company and resulting into loss of payment / bad debts or less profit.**

Any kind of change which is unfavorable to our business or our suppliers or our customers will directly and indirectly bring a change in our business. The sensitive analysis of the same might not give very appreciative results.

**8. The novel coronavirus (Covid-19) pandemic outbreak and steps taken to control the same have significantly impacted our business, results of operations, financial condition and cash flows and further impact will depend on future developments, which are highly uncertain.**

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses, including the real estate industry in which our Company operates and from where it derives substantial revenues and profits. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. In view of the onslaught of the second wave of the virus and the likelihood of a third wave, this pandemic may continue to cause unprecedented 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.

Further if in case due to any third or consequent wave of Coronavirus or surge in new and deadly variants of the Virus, if another lockdown is imposed in the country and further restrictions are imposed by the government, we may face huge losses and our business operations could be severely impacted. Any such restrictions could cause delays in the completion of our Projects and commitments made to clients, or cause damage to the goods in transit. Any of these consequences may result in loss of business and/or claims for compensation from our clients, which may have an adverse effect on our results of operations and financial condition.

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

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 example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2021 ("Finance Act") on March 28, 2021, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate.

We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a of the Personal Data Protection Bill, 2019 ("Bill") has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant 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 impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**10. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs**

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in offer document, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing.

Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the Company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for non-compliance have been prescribed under the Companies Act, 2013, which may subject our Company, Directors, and key managerial employees to such penalties and formal actions as prescribed under the Companies Act, 2013, if we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could harm our reputation. To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavor to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

#### ***11. Our business is substantially affected by prevailing economic conditions in India.***

We perform all our business activities in India, all of our projects are located in Ahmedabad, Gujarat, India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our real estate developments and the purchase thereof by our customers;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing national, regional or global economic conditions, including in India's principal export markets; and - other significant regulatory or economic developments in or affecting India or its real estate development sector.

In addition to the factors set forth above, our business may be affected by adverse changes in the real estate sector as we fully relied on that activity only.

#### ***12. Corrupt practices or fraud or improper conduct may delay the development of a business and results of operations.***

The trading business is purely dependent on the risks of corrupt practices. Large orders from the side of builders in all parts of the world provide opportunities for corruption, fraud or improper conduct, including bribery, theft or embezzlement by employees, customers or the deliberate supply of low-quality materials. If we or any other persons involved in any of the practice are the victim of or involved in any such practices, our reputation or our ability to complete the relevant projects as contemplated may be disrupted, thereby adversely affecting our business and results of operations.

#### ***13. Foreign investors are subject to foreign investment restrictions under Indian law.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, 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. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

***15. The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

***16. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

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

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

***18. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition as we purely relied on the business of real estate only.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs of 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.

***19. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

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

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

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

## SECTION III – INTRODUCTION

### THE ISSUE

This Issue has been authorised through a resolution passed by our Board of Directors at their meeting held on October 04, 2022, pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled “Terms of the Issue”

Particulars	Details of Equity Shares
<b>Equity Shares proposed to be issued</b>	Up to 7,50,01,500 no of Equity Shares
<b>Rights Entitlement</b>	3 Equity Share for every 2 fully paid-up Equity Share(s) held on the Record Date being Monday, May 22, 2023
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 2 (Two) Equity Shares or is not in multiples of 2 (Two), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
<b>Record Date</b>	Monday, May 22, 2023
<b>Face value per Equity Shares</b>	1.00 Re each
<b>Issue Price per Rights Equity Shares</b>	1.00 Re each
<b>Issue Size</b>	Issue not exceeding ₹ 750.015 lakhs To be adjusted as per the Rights Entitlement ratio
<b>Dividend</b>	Such dividend as may be declared by our Board and our shareholders, as per applicable law
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	5,00,01,000 Equity Shares. For details, see “Capital Structure” on page 36 of Letter of Offer
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	12,50,02,500 Equity Shares
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	12,50,02,500 Equity Shares
<b>Money payable at the time of Application</b>	Re. 1.00/- per share
<b>Scrip Details</b>	ISIN : INE104S01022 (Scrip Code: 539584)
<b>Use of Issue Proceeds</b>	For details please refer to the chapter titled “Objects of the Issue” on page 38 of this Letter of Offer.
<b>Terms of the Issue</b>	For details please refer to the chapter titled “Terms of the Issue” on page 93 of this Letter of Offer.
<b>Equity Shares proposed to be issued</b>	Up to 7,50,01,500 no of Equity Shares

#### Issue Schedule:

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below.

Event	Indicative Date
Issue Opening Date	Wednesday, May 31, 2023
Last Date for On Market Renunciation of Rights	Tuesday, June 6, 2023
Issue Closing Date*	Friday, June 9, 2023

*\*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

## GENERAL INFORMATION

Sharanam Infraproject And Trading Limited was originally incorporated in the name of Skyhigh Projects Limited on February 5, 1992. The name of the Company was changed to Sharanam Infraproject and Trading Limited on July 29, 2015.

### REGISTERED OFFICE OF OUR COMPANY

#### **Sharanam Infraproject and Trading Limited**

303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba,  
Vejalpur, Ahmedabad 380051

**Telephone:** 079-29707666

**Email:** sharanaminfraproject@gmail.com

**Website:** www.sharanaminfra.co.in

**CIN:** L45201GJ1992PLC093662

### REGISTRAR OF COMPANIES

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

#### **REGISTRAR OF COMPANIES, GUJARAT, DADRA & NAGAR HAVELI**

ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop,  
Naranpura, Ahmedabad-380013, Gujarat

**Telephone:** +91 79 2743 8531

**Facsimile:** +91 79 2743 8371

**E-mail:** roc.ahmedabad@mca.gov.in

### COMPANY SECRETARY AND COMPLIANCE OFFICER

#### **Mr. Jinesh Deepakkumar Mistry**

303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba,  
Vejalpur, Ahmedabad 380051

**Telephone:** 079-29707666

**Email:** sharanaminfraproject@gmail.com

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

#### REGISTRAR TO THE ISSUE

##### **Skyline Financial Services Private Limited**

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

**Telephone:** 011-40450193/97

**Email:** ipo@skylinerta.com

**Website:** www.skylinerta.com

**Investor grievance e-mail:** investors@skylinerta.com

**Contact Person:** Mr. Anuj Kumar

**SEBI Registration No.:** INR000003241

#### REGISTRAR TO THE COMPANY

##### **Mcs Share Transfer Agent Limited,**

Ahmedabad Branch

201, Shatdal Complex, 2nd Floor, Ashram Road, Ahmedabad 3800 09.

**Telephone:** 079-26580461, 0462, 0463

**Email:** mcsstaahmd@gmail.com

### STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY

#### **AK OSTWAL & COMPANY**

517, Jiwan Deep Complex, Near Nirmal Hospital, Ring Road-Surat- Gujarat – 395 002

**Email:** akostwalco@gmail.com

**Telephone:** 0261-2901508

**Contact Person:** CA Amit M Ajagiya

## **EXPERTS**

### **AK OSTWAL & COMPANY**

517, Jiwan Deep Complex, Near Nirmal Hospital, Ring Road-Surat- Gujarat – 395 002

**Email:** akostwalco@gmail.com

**Telephone:** 0261-2901508

**Contact Person:** CA Amit M Ajagiya

## **BANKER TO THE ISSUE/ REFUND BANK**

### **Axis Bank Limited**

**Address:** Axis Bank Limited, Ahmedabad Main Branch, Trishul,  
3<sup>rd</sup> Floor, Opp. Samratheshwar Temple, Ellisbridge, Ahmedabad – 380 006

**Tel:** 9687609557

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

**Website:** www.axisbank.com

**Contact Person:** Mr. Vishal Kadiya

## **DESIGNATED INTERMEDIARIES**

### **Self-Certified Syndicate Banks**

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

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

The company has not engaged any merchant banker for the issue. Hence a statement of inter se allocation of responsibilities is not required.

### **Underwriting**

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

### **Investor grievances**

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

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

### **Credit Rating**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

Appointment of a monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 82 of the SEBI ICDR Regulations, is not applicable for this issue.

For details in relation to the proposed utilisation of the Net Proceeds, see “Objects of the Issue” on page 38.

## Filing

Since the offer size is less than ₹ 50 Crores, filing DLOF with SEBI is not required. However, the final letter of offer will be filed with the board for information purpose.

## Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	Wednesday, May 31, 2023
Last date for On Market Renunciation of Rights Entitlements #	Tuesday, June 6, 2023
Issue Closing Date	Friday, June 9, 2023
Finalization of Basis of Allotment (on or about)	Thursday, June 15, 2023
Date of Allotment (on or about)	Friday, June 16, 2023
Date of credit (on or about)	Wednesday, June 21, 2023
Date of listing (on or about)	Thursday, June 22, 2023

# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

\* Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., Wednesday, June 7, 2023 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts at least one day before the Issue Closing Date, i.e., Thursday, June 8, 2023.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application Forms, see “Terms of the Issue - Process of making an Application in this Issue” on page 94 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at <https://www.skylinerta.com> after keying in their respective details along with other security control measures implemented thereat. For further details, see “Terms of the Issue - Credit of Rights Entitlements in dematerialised account” beginning in page 104 of this Letter of Offer.



### **MINIMUM SUBSCRIPTION**

If our Company does not receive the minimum subscription of 90% of the Issue Size, or the subscription level falls below 90% of the Issue Size, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is any delay in the refund of the subscription amount beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period, at such rates as prescribed under the applicable laws.

## CAPITAL STRUCTURE

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

Sr. No.	Particulars	Amount (in ₹ Lakhs, except share data)	
		Aggregate value at nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	13,00,00,000 Equity Shares of face value of ₹ 1 each	1300.00	N.A.
<b>B.</b>	<b>Issued and Subscribed Share Capital before the Issue</b>		
	5,00,01,000 fully paid Equity Shares of face value of ₹ 1 each	500.01	N.A.
<b>C.</b>	<b>Paid-Up Share Capital before the Issue</b>		
	5,00,01,000 fully paid Equity Shares of face value of ₹ 1 each	500.01	N.A.
<b>D.</b>	<b>Present Issue in terms of this Letter of Offer<sup>(3)</sup></b>		
	Issue of 7,50,01,500 Equity Shares of face value of ₹ 1 each	750.015	750.015
<b>E.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	12,50,02,500 Equity Shares of face value of ₹ 1/- each	1250.025	

# Assuming full subscription for and allotment of the Equity Shares.

### NOTES TO CAPITAL STRUCTURE

#### 1. Details of outstanding instruments as on the date of this Letter of Offer:

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer. Further, our Company does not have any employee stock option scheme or employee stock purchase scheme.

#### 2. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

There are no promoters in the company and thus, their participation in the issue is not possible.

The company will comply with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

#### 3. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchanges in compliance with the SEBI Listing Regulations

- i. The shareholding pattern of our Company as on March 31, 2023 can be accessed on the website of the BSE at:

<https://www.bseindia.com/stock-share-price/sharanam-infraproject-and-trading-ltd/siptl/539584/shareholding-pattern/>

- ii. Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on March 31, 2023 can be accessed on the website of the BSE at:

<https://www.bseindia.com/stock-share-price/sharanam-infraproject-and-trading-ltd/siptl/539584/shareholding-pattern/>

- iii. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2023 can be accessed on the website of the BSE at;

<https://www.bseindia.com/stock-share-price/sharanam-infraproject-and-trading-ltd/siptl/539584/shareholding-pattern/>

4. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 1.05 per equity share.

**5. Details of shares locked-in, pledged, encumbrance by promoters and promoter group:**

The company does not have identifiable promoter and therefore, no disclosures are applicable.

**6. Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Letter of Offer:**

The promoter has not acquired any specified securities in the last one year immediately preceding the date of filing of the Letter of Offer.

**7. Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital**

The details of shareholders of our Company holding more than 1% of the issued and paid -up Equity Share capital of our Company, as on March 31, 2023 are available on the website of the BSE at

<https://www.bseindia.com/stock-share-price/sharanam-infraproject-and-trading-ltd/siptl/539584/shareholding-pattern/>

8. At any given time, there shall be only one denomination of the Equity Shares of our Company.

9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

## OBJECTS OF THE ISSUE

Our company proposes to utilize the net proceeds from the issue towards funding the following objects:

- Meeting Working Capital Requirements

We intend to utilize the net proceeds raised through the Issue (the **“Issue Proceeds”**) for Meeting the Working Capital Requirements.

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### Details and utilization of Issue Proceeds:

The Company intends to utilize the Net Proceeds raised through the Issue towards the following objects

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount*
(A)	Gross proceeds of the Rights Issue*	750.015
	Less: Issue related expenses (approx.)**	50.000
	<b>Net proceeds of the Rights Issue</b>	<b>700.015</b>
(B)	Utilization of the net proceeds of the Rights Issue	
	To meet the working capital requirements of the company	700.015
	<b>Total Net Proceeds*</b>	<b>700.015</b>

\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio.

\*\* This includes corporate compliance, issue related fee, auditors fee and other fees.

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue and existing identifiable internal accruals.

### Additional Disclosures pursuant to Schedule VI Part (B) of SEBI ICDR, 2018:

- (a) Basis of estimation of working capital requirement, along with relevant assumptions:

Creditors calculated at 13 days for first year i.e. up to 31/3/2024 and onwards for 15 days as company will have reputation in market as well.

Debtors worked out at 75 days all the time

- (b) Reasons for raising additional working capital, substantiating the same with relevant facts and figures:

New management of Company has negotiated exclusive purchase agreement with one of the Steel Products C&F and Distributor of Jindal Group in Gujarat for uninterrupted supply. Following are the projected figures for the future years:

(₹ in lakhs)

### PROFITABILITY STATEMENT

Description	31-Mar-23	31-Mar-24	31-Mar-25
No of Years	1	2	3
<b>SALES/ TOTAL INCOME</b>			
Net Sales	-	4,736.12	5,920.15
Total Income	-	4,736.12	5,920.15
<b>COST OF PRODUCTION</b>			
Raw Material Purchase	-	4,475.63	5,370.76
Salary Wages & other expenses	1.56	90.50	135.75
Other Direct expenses	14.86	140.00	175.00
Depreciation	0.78	0.57	0.43
<b>Sub-total</b>	<b>17.20</b>	<b>4,706.70</b>	<b>5,681.94</b>
<b>Cost of Sales</b>	<b>17.20</b>	<b>4,706.70</b>	<b>5,681.94</b>

Description	31-Mar-23	31-Mar-24	31-Mar-25
<b>Operating Profit</b>	<b>(17.20)</b>	<b>29.42</b>	<b>238.21</b>
Provision for Taxation	-	8.71	71.31
<b>Profit after Tax (PAT)</b>	<b>(17.20)</b>	<b>20.33</b>	<b>166.90</b>

(₹ in lakhs)

#### BALANCE SHEET STATEMENT

LIABILITIES	31-Mar-23	31-Mar-24	31-Mar-25
Share Capital including Premium	500.01	500.01	500.01
Reserves-General	(146.61)	(125.90)	41.00
Addition Right Issue Capital	-	750.02	750.02
<b>Sub-Total</b>	<b>353.40</b>	<b>1,124.13</b>	<b>1,291.03</b>
<b>CURRENT LIABILITIES</b>			
Borrowings	22.45	31.49	39.37
Provisions	4.48	8.71	71.31
Sundry Creditors-For Goods	49.43	166.68	243.29
<b>Sub-Total</b>	<b>76.36</b>	<b>206.88</b>	<b>353.97</b>
<b>Total Outside Liabilities</b>	<b>76.36</b>	<b>206.88</b>	<b>353.97</b>
<b>Grand Total-Total Liabilities</b>	<b>429.76</b>	<b>1,331.01</b>	<b>1,645.00</b>
ASSETS	31-Mar-23	31-Mar-24	31-Mar-25
<b>FIXED ASSETS</b>			
Net Block	2.22	1.65	1.22
<b>Net Block</b>	<b>2.22</b>	<b>1.65</b>	<b>1.22</b>
Investments	14.85	14.85	14.85
<b>Total</b>	<b>14.85</b>	<b>14.85</b>	<b>14.85</b>
<b>CURRENT ASSETS</b>			
Sundry Debtors	173.27	973.18	1,216.47
Loans & Advance	194.30	225.05	287.05
Cash and Bank Balances	2.11	73.27	82.40
Misc expenses not written off	40.27	40.27	40.27
Other Current Assets	2.74	2.74	2.74
<b>Total Current Assets</b>	<b>412.69</b>	<b>1,314.51</b>	<b>1,628.93</b>
<b>TOTAL ASSETS</b>	<b>429.76</b>	<b>1,331.01</b>	<b>1,645.00</b>
<b>Checking</b>	<b>-</b>	<b>-</b>	<b>-</b>

- (c) Details of the projected working capital requirement including detailed assessment of working capital after implementation of the project or achievement of objects of the issue, as the case may be, capacity utilization assumptions, break-up of expected current assets into raw materials, finished goods, work in progress, sundry debtors etc., along with the assumption about the holding norms for each type of current asset, total current liabilities, net current assets and envisaged sources of finance for net current assets, i.e., bank finance, institutional finance, own funds, etc.
- (d) Total envisaged working capital requirement in a tabular form, the margin money thereof and the portion to be financed by any bank(s) or otherwise.
- (e) Details of the existing working capital available with the issuer, along with a break-up of total current assets into raw materials, finished goods, work in progress, sundry debtors, etc., total current liabilities, net current assets and sources of finance for net current assets, i.e., bank finance, institutional finance, own funds, etc.

(₹ in lakhs)

Sr. No.	Details	Audited 31-Mar-23	Projected 31-Mar-24	Estimated 31-Mar-25
1	Current Assets			
a	Loan & Advances	194.30	225.05	287.05
b	Debtors	173.27	973.18	1,216.47
c	Other Current Assets	2.74	2.74	2.74
	<b>(a+b+c)</b>	<b>370.31</b>	<b>1200.97</b>	<b>1506.26</b>
2	Current Liabilities			
a	Borrowings	22.45	31.49	39.37

Details		Audited	Projected	Estimated
Sr. No.	Particulars	31-Mar-23	31-Mar-24	31-Mar-25
b	Provisions	4.48	8.71	71.31
c	Sundry Creditors-For Goods	49.43	166.68	243.29
	(a+b+c)	<b>76.36</b>	<b>206.88</b>	<b>353.97</b>
3	<b>Net Working Capital (1-2)</b>	<b>293.95</b>	<b>994.09</b>	<b>1152.29</b>
4	<b>Working capital Gap</b>	<b>0.00</b>	<b>700.14</b>	<b>158.2</b>
	<b>Working capital funding through Right issue excl. of issue expenses i.e. 50.00 lakhs</b>	0.00	700.140	994.09

#### Explanation on working capital:

- At the moment company has a Capital of 500.01 Lakhs against which Carry forward losses are 146.61 Lakhs which balance capital @ 353.40 lakhs.
- for year ended 2023 our Current Assets stood at ₹ 370.31 Lakhs against Current Liabilities at ₹ 76.36 Lakhs, We expect to realize our Current assets after deducting current liabilities which will give us 293.95 Lakhs.
- For March 31, 2024 estimated under current assets to be at ₹ 1200.97 Lakhs Vs Current liabilities of ₹ 208.88 Lakhs which will have a WCL gap of 992.09 Lakhs, against which we will realize 293.95 Lakhs from previous years Gap so total remaining amount would be 700.14 Lakhs, we have added 50 Lakhs ₹ Right issue expenses in our Current years estimated P&L already.
- Out of 994.09 lakhs we assume to have 750.14 lakhs from this Right issue.
- We have assumed that our Right Issue would be subscribed fully during the F.Y. 2023-24. We would be able to close the whole transaction. Since issue could not come on time therefore our estimation has been changed a bit.
- For Better understanding we are attaching our Last year, Provisional & an estimated Balance sheet figures
- The above mentioned Estimation is subject to raising of fund thru right issue during the 1st Quarter i.e. April 1, 2023 to June 30, 2023.
- We assume that we would be able to get 13 days credit for 1st year and 15 days credit therefore on our purchase.
- We assume that our buyers will make payment to us within 75 days.
- Loans and advance will be increased as a practice to add more reputed end suppliers.
- For better explanation, we have attached our Historical and estimated Balance sheet as well.
- Miscellaneous expenses have not yet written off and whenever it is written off it will be reported to management accounts.

#### Requirement of Funds and Utilization of Net Proceeds

We intent to utilize the Net Proceeds are set forth in the following table:

(₹ in lakhs)		
Sr. No.	Particulars	Estimated Amount*
(A)	Gross proceeds of the Rights Issue*	750.015
	Less: Issue related expenses (approx.)**	50.000
	<b>Net proceeds of the Rights Issue</b>	<b>700.015</b>
(B)	Utilization of the net proceeds of the Rights Issue	
	To meet the working capital requirements of the company	700.015
	<b>Total Net Proceeds*</b>	<b>700.015</b>

\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio.

\*\* This includes corporate compliance, issue related fee, auditors fee and other fees.

## Means of Finance

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue as per estimation for first year

The fund requirement and deployment are based on our Management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan.

### Details of the Objects of the Issue:

#### 1. Meeting Working Capital Requirements:

Our business is predominantly working capital intensive. We use the fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, post right issue however this time to strengthen the margins and financials strength of the Company. We propose to part fund the Working Capital Requirements to the extent of ₹ 700.015 lakhs from the Net Proceeds of proposed Right Issue.

We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change. Our Creditors and debtors' days may also change during in course of time.

#### 2. General Corporate Purpose

The entire issue proceeds will be used for working capital requirements and there will be no amount used in the name of general corporate purpose.

### Issue Related Expenses

The Issue related expenses consist of fees payable to the Advisors, Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ 50 lakhs towards these expenses; a break-up of the same is as follows:

(₹ in lakhs)

Activity	Estimated Expense	% of Total Expenses	As a % of Issue size
Fees payable to the intermediaries (including Advisors fees, legal fees, selling commission, registrar fees and expenses)	37.50	75%	5%
Advertising, Printing, stationery and distribution Expenses	5.00	10%	1%
Statutory and other Miscellaneous Expenses	7.50	15%	1%
<b>Total Amount</b>	<b>50.00</b>	<b>100%</b>	<b>7%</b>

### Interim Use of Funds

In accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

### Appraisal by Appraising Agency

None of the objects have been appraised by any bank or financial institution or any other independent third party organizations.

### Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Issue Proceeds.

**Strategic or Financial Partners**

There are no strategic or financial partners to the Objects of the Issue.

**Monitoring of Utilization of Funds**

Since the proceeds from the Issue are less than ₹ 10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI Listing Regulation, the Rights Issue Committee appointed by the Board would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchange, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of 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.

**Interest of Promoters, Promoter Group and Directors**

As applicable to the objects of the Issue, our Promoters, Promoter Group and Directors do not have any interest in the Objects of the Issue.

**Key Industrial Regulations for the Objects of the Issue**

No additional provisions of any acts, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

**Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters and Promoter group, the directors, associates or key management personnel or group companies. There are no material existing or anticipated transactions.



## STATEMENT OF TAX BENEFITS

**Statement of possible special tax benefits available to the Company and its Shareholders as per the certificate issued by statutory auditors of the company.**

To,  
The Board of Directors

**Sharanam Infraproject And Trading Limited**

303, Earth Arise, Nr. Y.M.C.A. Club,  
S. G. Road, Makarba, Vejalpur  
Ahmedabad Gujarat 380051- India.

**Re: Proposed rights issue of equity shares of face value of ₹ 1.00 each (the “Equity Shares” and such offering, the “Issue”) of Sharanam Infraproject And Trading Limited (the “Company”) pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the ‘Act’)**

We hereby report that the enclosed Statement prepared by Sharanam Infraproject And Trading Limited (the “Company”) states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act, 2022 (hereinafter referred to as “Income Tax Laws”), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and the Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

We have conducted our examination in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India (‘ICAI’). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements. We do not express any opinion or provide any assurance as to whether:

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. 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. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

For **AK Ostwal & Co.,**  
**Chartered Accountants**  
**Firm Registration No: 107200W**

Sd/-

**CA Amit M Ajagiya**  
**Partner**  
**M No.: 140574**  
**UDIN: 23140574BGTQMB5365**

**Date: 15/05/2023**  
**Place: Surat**

## **ANNEXURE A**

### **STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SHARANAM INFRAPROJECT AND TRADING LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS**

#### **I. UNDER THE INCOME TAX LAWS**

1. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

2. Special tax benefits available to the shareholders

There are no special tax benefits available to the shareholders of the Company.

#### **Notes:**

- a. The above Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. 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.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2023-24.
- d. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## **ANNEXURE B**

### **STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO SHARANAM INFRAPROJECT AND TRADING LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS**

- I. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively referred to as “Indirect Tax Laws”)**
  1. Special tax benefits available to the Company under the Indirect Tax Laws  
There are no special indirect tax benefits available to the Company.
  2. Special tax benefits available to the shareholders under the Indirect Tax Laws  
There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

#### **Notes:**

- a. The above statement is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

#### Macroeconomic Overview of Global Economy

##### **Global Prospects<sup>1</sup>**

*Steel pipes and tubes industry is one of the important segments of the Indian Steel sector, it contributes around 8 % of the India's steel consumption. The steel pipes and tubes industry is classified into two segments – Electric Resistant Welded (ERW) and Submerged Arc Welded and Seamless (S&S). The ₹ 50,000 crore steel pipes and tubes industry is split equally between the ERW and S&S segments in value terms. In volume terms, the domestic market is split 70:30 between the two segments.*

***The Indian steel pipe market is estimated to be Rs 50,000-55,000 Cr and is 8-9% of the global steel pipe market. 50% of the market in terms of value consists of the Electric Resistance Weld Pipe (ERW) and the other 50% is the Stainless steel and Submerged Arc Weld (SAW) pipes.***

*The iron and steel pipe industry is one of the key sectors in the infrastructure development of our country. From the extension of pipelines for river interlinking to providing drinking water to every household, the industry plays a critical role in the development of the nation. The overall industry size has grown at double-digit over the last four years and is currently estimated to be around ₹ 60,000 crore.*

*The major growth drivers for the industry include demand emanating from domestic water infrastructure, oil exploration and transportation, construction, irrigation, infrastructure, and expansion of gas pipelines such as national gas grid and city gas distribution. While the covid-19 pandemic has caused certain disruptions, the industry witnessed a V-shape recovery post the removal of restrictions and surpassed pre-covid levels as evident by 16.61% growth in steel tube and pipe consumption in March 2021 as compared with March 2020. However, the industry registered degrowth of nearly 15% during the fiscal year 2020-21 due to muted production and consumption in the lockdown period. Going forward, CARE Ratings believes that the industry is resilient enough to be back on a growth path although it remains to be seen how far the industry players can combat with a steep increase in raw material prices and protect their margins.*

*The industry has witnessed consolidation with increasing dominance of larger players especially in Electric Welded Resistance (ERW) segment which has been the most fragmented segment historically. Operating margins of major industry players have expanded by nearly 350 bps to 12.5% over FY12 to FY20 period. Industry leverage levels peaked in FY15 and FY16 and have improved consistently since then which is expected to continue amid continued debt reduction aided by healthy profitability.*

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<sup>1</sup> [https://www.careratings.com/uploads/newsfiles/13072021115904\\_Metal\\_pipes\\_industry\\_shows\\_its\\_mettle\\_in\\_pandemic\\_-\\_Demand\\_pipeline\\_strong.pdf](https://www.careratings.com/uploads/newsfiles/13072021115904_Metal_pipes_industry_shows_its_mettle_in_pandemic_-_Demand_pipeline_strong.pdf)

### GLOBAL INDUSTRY SCENARIO

Under the shadows of pandemic, the world has faced an unprecedented blow by the pandemic and the human toll is continuing to grow as the infections continue to spiral across the globe. Due to the first wave of pandemic during 2020, the global steel pipes industry recorded a slump of 10.60% implying destruction of 7.3 million tonnes in consumption. The demand for steel pipes plunged as the construction activities halted with the rising number of infections; however, as the first wave retracted, the governments responded with hefty spending on infrastructure to boost the economies. When the markets were just witnessing glimpses of normalcy, it got caught up in the second wave of the pandemic. Curtailment measures like lockdowns and curfews once again took the centre stage resulting in supply chain disruptions, labour shortages, financial losses, and temporary adverse impact on investments. One of the key demand drivers for steel pipes is the oil & gas industry which faced its worst crisis ever with oil prices plummeting to USD 21.04 per barrel during covid-19 first wave. Although the oil prices have regained a level above USD 60 per barrel from February 2021

because of a production cut to protect margins, the demand is slowly regaining normalcy. Hence, with no impetus on capital expenditure by oil producers in near future, the demand for pipes from the oil & gas sector remains subdued in the short term. However, as the governments across the world refocus on infrastructure projects such as water and sewage systems and oil and gas pipeline networks, the growth is bound to come back. Recovery in oil prices and a parallel improvement in spending on exploration and production activities is expected to brighten the medium-term outlook for oil pipeline related infrastructure projects.

### **Indian Steel Pipe:**

Battered but ready to sprint India's iron and steel pipe and tubes industry, valued at nearly ₹ 60,000 crore, accounts for around 8% of the global steel pipe market. The production has grown at a CAGR of 7.69% from 4.97 million tonnes in FY17 to 6.68 million tonnes in FY20 attributable to incremental demand emanating from growth in domestic water infrastructure mainly driven by Jal Jeevan Mission, oil exploration, construction, infrastructure, and expansion of gas pipelines such as national gas grid and city gas distribution.

As a result, the consumption growth outpaced the production growth and expanded with a CAGR of 11.03% over the period FY17 to FY20. The last decade has witnessed an evolution for the Indian pipe and tube manufacturers in wake of growing demand and capital expenditure for modernization and capacity creation in end user industries.

As a result, the steel pipe and tubes manufacturers have successfully scaled their operations to match the global economic size. The overall sales of the domestic players have nearly doubled in the last decade despite a contraction during FY20 due to lower metal prices and loss of volumes because of the worldwide pandemic hitting the volumes.

Due to their competitive pricing, high quality, and geographical advantages, there is a huge demand for Indian manufactured pipes from regions such as Europe, Thailand, Malaysia, the Middle East, and Indonesia. However, as domestic consumption increased rapidly, the volume of exports declined and the gap between exports and imports have narrowed over the years. Moreover, domestic industry has less capacity for high-temperature resistant pipes used for drilling and oil exploration, which are generally imported by the oil refineries in India. Expansion in refining capacity and renewed emphasis on oil exploration by GOI to reduce crude oil import bill meant imports of pipes went up in FY19 and FY20.

### **Changing industry dynamics**

The domestic demand for iron and steel pipes has gone through a paradigm shift with new verticals and novel applications of steel pipes coming up with the time. The below pie chart presents the evolution of demand from 2010 to 2020.

Although the percentage share of demand coming from oil & gas may seem reduced in above figure, in terms of absolute number, the same has increased significantly. Increasing usage of steel pipes in automotive and India's changing energy mix has led to the increase in demand share of steel pipes on these fronts. Also, increase in usage of steel pipes in railways, furniture, platforms, fencing in malls, and other new applications in the construction industry has also changed the dynamics to some extent. According to Petroleum and Natural Gas Regulatory Board (PNGRB), the energy mix of India is going to change, further benefitting the demand for steel pipes.

Notwithstanding such large capacities, domestic industry faces the problem of under-capacity utilization due to order-based nature of businesses especially in HSAW (Helical Submerged Arc Welded) and LSAW (Longitudinal Submerged Arc Welded) pipes segments. It not only creates stress on keeping the prices competitive globally but it also puts the domestic players under leverage as it is a significantly capital-intensive industry. However, as discussed earlier, the steel pipe industry is expected to witness healthy demand in the coming years.

### **Oil & Gas Sector:**

A vital cog to Indian pipe Industry during FY18-FY20, the Indian economy witnessed a lower GDP growth than the average of the decade which further deteriorated to a negative growth rate in FY21 due to the pandemic.

Notwithstanding these downturns, India is embarked on achieving a USD 5 trillion economy with healthy growth expected over the next few years. Oil is synonymous with growth and a growing economy certainly needs oil; a study by the Organization of the Petroleum Exporting Countries (OPEC) shows that India boasts of the highest growth in demand for oil from 2020-2045 with a CAGR of nearly 4% to reach 11.1 million barrels per day.

Currently, India contributes about 5% of world's total oil demand in 2020 which is expected to jump to 10% by 2045. To match the increasing global demand for oil, the oil sector is now witnessing revival in capex to garner the required supply growth which brings in several global opportunities to pipe manufacturers. As per industry estimates, there are a

total of 1,103 pipeline projects currently ongoing across the globe with a pipeline demand of 63,600 KMT worth approximately USD 468 billion (nearly ₹ 34.16 lakh crore) to be completed over the period 2019-2022.

Another major demand centre for pipes is natural gas transportation and distribution. As per PNGRB, the 9th and 10th round of bidding for city gas distribution organized in late 2018 covered 50.61% population spread over 41.74% of the geographical area and is expected to require 1.74 lakh inch-Km of the pipeline. Out of this 1.74 lakh inch-km requirement, 75,224 inch-km has already been laid till September 2020. Also, a total of 16 projects for new gas pipelines or extension of the current pipeline network has been authorized by the government in FY20 and H1FY21 which is approximately 9,000 km of pipelines and is expected to be completed within the next 3 years. Though India is taking steps to increase oil and gas production, the focus is more on the development of midstream, refineries, and petrochemicals infrastructure for greater processing, transport, and storage. India faces a shortage of supply of crude oil and that is one of the prime reasons which has led the oil and gas majors in India to look for new sources of oil and gas.

### **Water Transportation:**

New opportunities: The country's per capita availability of water stands at only 1544 m<sup>3</sup> which is primarily because the population contributes to 17% of the global population but has only 4% of freshwater resources. As the demand for water increases, a study by GOI suggests that the demand is expected to be twice that of supply by 2030. To address this growing demand, the government has come up with the interlinking of rivers project which aims to build 30 river links to connect 37 rivers across the nation through a network of over 3,000 storage dams to form a gigantic South Asian Water Grid.

This project is expected to create a huge demand of HSAW pipes and ductile iron pipes. While Jal Jeevan mission announced by GOI aims at providing functional tap connection to every rural household, another major step, AMRUT scheme aims at enhancing sewage treatment capacities and providing assured water supply to the urban household. Both these policy initiatives combined are expected to boost the demand for ERW, DI, and HSAW pipes. 36%, Oil & Gas 56%, Coal 8%, Others 2017 45%, Oil & Gas 50%, Coal 5%, Others 2025 3.1 2.9 2.6 2.3 1.22 2.21 1.8 1.7 1.8 0.1 0.28 0.64 0 1 2 3 4 Structural ERW Non-Structural ERW HSAW LSAW Seamless Ductile Iron pipes Large Players Small Players From FY16-FY20, ₹ 5,000 crore was allocated by the government to AMRUT Scheme which has been increased in union budget FY22 to ₹ 7,300 crore. With such high budgetary allocations for these projects which have piped supply of water as their fundamental aim, it is expected that Indian players operating in ERW, DI, and HSAW segments are likely to benefit from these conducive policy initiatives.

### **Budget impact:**

In the union budget for FY22, announced on February 01, 2021, the finance minister proposed to undertake increased capital expenditure of ₹ 5.54 lakh crore in the current fiscal year in addition to giving thrust on monetizing assets to achieve the goals of the National Infrastructure Pipeline (NIP). While several sectors will be benefitting from the boost to government infrastructure, with respect to the pipe industry it was water infrastructure that took the limelight. Jal Jeevan mission has always seen a decent allocation in budget every year being in the range of ₹ 10,000 – ₹ 11,000 crore annually but in budget 2021-2022, with a whopping budgeted expenditure of ₹ 50,000 crore, it has gathered eyeballs of pipe manufacturers especially operating in HSAW and DI pipes segment. AMRUT scheme also saw an increase in budgeted allocation from approximately ₹ 7,300 crore in the union budget FY22. In the natural gas sector, the Prime Minister has already announced the target of 'One nation, one gas grid' in which the natural gas grid is expected to expand by 17,000 Km taking the total length of pipelines to 34,500 Km by 2025. Efforts to move towards a gas-based economy along with the impetus on implementation of city gas distribution networks is going to be a major driver for the demand in the pipe sector.

### **THE SCARS OF PANDEMIC:**

The first wave of covid-19 deeply affected the steel pipe and tube industry during Q1FY21. Both supply and demand were impacted due to the closure of cross-country borders and stringent nationwide lockdown. As a result, both production and consumption plummeted sharply to less than one lakh tonnes during April 2020 from a pre-covid level of above six lakh tonnes.

However, Q2FY21 witnessed impact of easing of lockdown restrictions which helped the industry to gain some traction. The industry witnessed a V-shaped recovery with an uptick in demand backed by improved government focus on projects like increasing the share of gas in the energy mix, city gas distribution network, domestic water segment, irrigation projects, allocation in 'Nal se Jal' scheme along with spending on infrastructure projects, affordable housing, etc, which is evident by 16.61% increase in the steel tube and pipe consumption in March 2021 as compared with March 2020.

With unlocking of the economy and resumption of construction activities, the average sales for steel pipes and tubes companies witnessed a V-shaped recovery post subdued demand in Q1FY21 with a consistent increase in its top line

and average capacity utilization of 69.23% in Q4FY21. The government's thrust on infrastructure projects and the revival of the economy led to an increase in overall construction activities which resulted in an increase in the number of new orders received by the steel pipe players. However, there has been a steep increase in the raw material prices which may impact the costs for major projects in oil and gas sector and water segment and result in delays in project implementation unless there is revision in budgetary allocation or input prices moderate, which appears unlikely in the short term.

#### **Credit perspective:**

The profit margins of the steel pipe manufacturers have surged over the years. The average operating profit margin of the top 10 players has witnessed a healthy improvement from 9.08% in FY12 to 12.57% in FY20. Going forward, the operating margins of the large players are expected to remain healthy on the back of strong sales realization due to elevated steel prices assuming they will be able to pass on the increase in raw materials costs amid consolidation in the industry and steady demand prospects. During FY13-FY15, the steel and pipe manufacturers undertook a major debt-funded capex to build additional capacities during the oil price boom in 2014. However, going forward, strong deleveraging is expected from major steel pipe players despite the incremental capex. With continuous deleveraging by the steel pipe and tube players and strong profitability in FY21, the industry witnessed an improvement in total debt to equity and interest coverage indicators which is expected to sustain amid continued deleveraging.

#### **OUTLOOK:**

Steel consumption and demand for steel tubes and pipes are expected to improve in FY22 with higher levels of economic activities amid optimism that the vaccination program would facilitate normalization and stimulate economic recovery.

There is a diverse requirement for steel pipes and tubes across several industries including, but not limited to, oil and gas, petrochemicals, power and energy, construction, water supply, and sanitation, etc. The government's thrust to improve infrastructure is expected to augur well for industry players. India is expected to become a preferred location for global manufacturing in the medium and long term led by initiatives such as Make in India, vocal for local, performance-linked incentives schemes and China plus one strategy being adopted by consumption-driven economies across the globe. The global steel pipe and tubes market is valued at USD 90 billion and is projected to grow at a CAGR of 4% in the next three years to which the domestic market will contribute to around 9%-10% of the global consumption. The demand will largely be driven by water transportation, oil and gas, firefighting, construction, and infrastructure segments, among others. The decreasing share of unorganized and small players and increasing dominance of larger players is expected to result in better pricing power and margins for the larger players especially in ERW segment which has been the most fragmented segment historically, while other segments such as SAW, ductile and seamless pipes segments are traditionally dominated by few large players.



## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" beginning on page 19 for a discussion of the risks and uncertainties related to those statements, as well as "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 55 and 82, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Financial Statements.*

Sharanam Infraproject And Trading Limited was originally incorporated in the name of Skyhigh Projects Limited on February 5, 1992. The name of the Company was changed to Sharanam Infraproject and Trading Limited on July 29, 2015.

The initial object of the Company is to set up facilities for manufacture of wrist watch cases. As per latest Object clause of Memorandum of Association of the Company, followings are main objects of the Company;

1. To Engage in the business of real estate and in particular purchase and sale of land and or building and owning and buying selling hiring letting, sub –letting, maintaining allotting, transferring allotment, administering, exchanging mortgaging, accepting lease, tenancy or sub tenancy and constructing, reconstructing, extending, altering or demolishing building or demolishing building or tenements, block, flats, shops, godowns, materials incidental to construction, repair, overhaul or maintenance of land and building to fix and collect rents.
2. To acquire by purchase, lease, exchange, hire purchase or otherwise land, showrooms, building, and hereditaments of any estate or interest there in any rights over or connected with land either or retain the same for the purpose of the company's business or turn the same to account as may seem expedient.
3. To take on lease, hire purchase or otherwise acquire any lands, plantations, rights over or connected with lands, and immovable property of any description and any interest, rights or connected be deemed necessary or convenient for the business which the company is authorized to carry on.
4. To sell improve, manage, develop, exchange, lease mortgage, dispose or turn to account of otherwise deal in all or any part of the property and right of the company.
5. To develop the resources and turn into account the land building for the time being of the company in such manner as may be deemed fit and in particular by clearing fencing planting of fruit trees, gardening dairy and agriculture farming or otherwise as may be considered suitable for the beneficial interest of the company.
6. To construct, purchase, acquire, develop and take from time restaurants, bars, liquor vends, bonded, warehouses, wholesale and retail vends of foreign liquor, cafeterias, milk bars bakeries, shops, catering Establishment, Holiday homes, departmental store, Emporia tourist bungalows, Hotels, huts, motels guest house, Entertainment, projects and other places of tourist, archaeological of boarding, lodging, stay comfort and entertainment, projects and other places of tourist, archaeological of boarding, lodging, stay comfort and entertainment of tourists and run, maintain, manage and administer them, subject to licences from the appropriate authorities and to provided all or any part of the hotel on rent for hotel or any other business.
7. To acquire, land building of any description by purchase lease, exchange on in any other manner whatsoever has the purpose of construction of Hospitals, Medical college, Nursing Homes, Dispensaries, Hostels, and other educational institutions and research centers.
8. To carry on the business of building, contractors, dealers in and constructors of prefabricate and precast houses, building and dealers in materials, tools, implements, machinery and metal were in connection therewith or incidental there to and carry on the any other business that is customarily, usually and conveniently carried on there with and to build, take on lease, purchase or acquire in any manner whatsoever any apartments houses, flats, bungalow raw houses, rooms, hut to other accommodation for residential use and to let or dispose of the same on any system of installment payment basis, rent, purchase basis or by outright disposition all or any integral part thereof and to provide long term finance to any person or persons or co-operative society or association of persons or body of individuals either at interest or without and/or with or without any security for construction, purchase, enlarge, or repair of any houses, flats, raw houses, bungalows, rooms, huts used for residential purposes either in total or part thereof to purchases any free hold or leasehold lands, estate or interest in any property to be used for residential purposes.

Company is engaged in supply chain distribution of Various Steel Products including building materials in Gujarat & nearby States. Since company was not very significantly operative, but post new Professional management on boarding, company has arrived to a decision to enter and trade and fill Gap in Supply chain management for steel products in Gujarat.

Company is not limited to other infrastructural products supply chain distribution but following products;

- Seamless or welded steel pipes.
- Blooms and slabs.
- Welded pipe.
- Electric resistance welding (ERW)
- High frequency induction welding (HFI)
- Longitudinal submerged arc welding (LSAW)
- Seamless pipe.
- Oil and gas industry usage.
- Real Estate and Infrastructural projects

### ***OUR COMPETITIVE STRENGTH***

#### **- Experienced management team:**

Company has a professional management which is going to drive company without any personal interest and would be responsible for it's duty towards a common shareholders interest. Our management team has requisite mix of having academic backgrounds business management, commerce, etc. The vision and foresight of our management enables us to explore and seize new opportunities and accordingly position ourselves to capitalize on the growth opportunities in the infrastructure sector.

#### **- Cost efficient sourcing and locational advantage:**

With our experience, we are able to time our procurement and we are also able to source at a competitive price.

### ***OUR BUSINESS STRATEGY***

Company is engaged in supply chain distribution of Various Steel Products in Gujarat & nearby States. Since company is in trading sector, Company focuses majorly on cheap and quality procurement and always in lookout to seize new opportunities both in procurement and distribution.

### ***BUSINESS DETAILS***

Company is engaged in supply chain distribution of Various Steel Products in Gujarat & nearby States.

Company is not limited to other infrastructural products supply chain distribution but following products;

- Seamless or welded steel pipes.
- Blooms and slabs.
- Welded pipe.
- Electric resistance welding (ERW)
- High frequency induction welding (HFI)
- Longitudinal submerged arc welding (LSAW)
- Seamless pipe.
- Oil and gas industry usage.
- Real Estate and Infrastructural projects

### **END – USERS**

The Company operates in B2B segment, thus the end–users of the company is business units throughout India Majorly.

### **PLANT AND MACHINERY**

Since company is in trading sector, Company does not have any plant and machinery.

## OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

### Our Board of Directors

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than three Directors and not more than fifteen Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Letter of Offer, our Board comprises 4 (Four) Directors, of which 1 (one) Director is Managing Director, 2 (two) Directors are Non-Executive Independent Directors, and 1 (one) Director is Non-Executive Non-Independent Director and woman Director. The composition of our Board is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

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

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Jigneshkumar Parshottambhai Ambalia</b> <b>DIN:</b> 07784782 <b>Date of Birth:</b> May 19, 1978 <b>Designation:</b> Managing Director <b>Address:</b> 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur – 380051, Ahmedabad, Gujarat, India <b>Occupation:</b> Business <b>Term:</b> For a period of five (05) years w.e.f. May 18, 2022 <b>Nationality:</b> Indian	44	Nil
<b>Savankumar S Shingal</b> <b>DIN:</b> 08548046 <b>Date of Birth:</b> June 07, 1996 <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur – 380051, Ahmedabad, Gujarat, India <b>Occupation:</b> Service <b>Term:</b> For a period of five (05) years w.e.f. February 19, 2022 and not liable to retire by rotation <b>Nationality:</b> Indian	26	Alexios Surgical Private Limited;
<b>Siddharth Jayantibhai Patel</b> <b>DIN:</b> 08766790 <b>Date of Birth:</b> October 08, 1992 <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur – 380051, Ahmedabad, Gujarat, India <b>Occupation:</b> Business <b>Term:</b> For a period of five (05) years w.e.f. February 19, 2022 and is liable to retire by rotation. <b>Nationality:</b> Indian	30	Cnm Machinery Private Limited
<b>Eeti Shaileshkumar Panchal</b> <b>DIN:</b> 09723466 <b>Date of Birth:</b> November 11, 1991 <b>Designation:</b> Non-Executive and Non-Independent Women Director <b>Address:</b> 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur – 380051, Ahmedabad, Gujarat, India <b>Occupation:</b> Professional <b>Term:</b> Retire by Rotation <b>Nationality:</b> Indian	31	Nil

## CONFIRMATIONS

1. None of our Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Letter of Offer, during the term of his/ her directorship in such company:
2. Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past ten years from the date of this Letter of Offer.

## OUR KEY MANAGERIAL PERSONNEL

In addition to our Managing Director, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Letter of Offer:

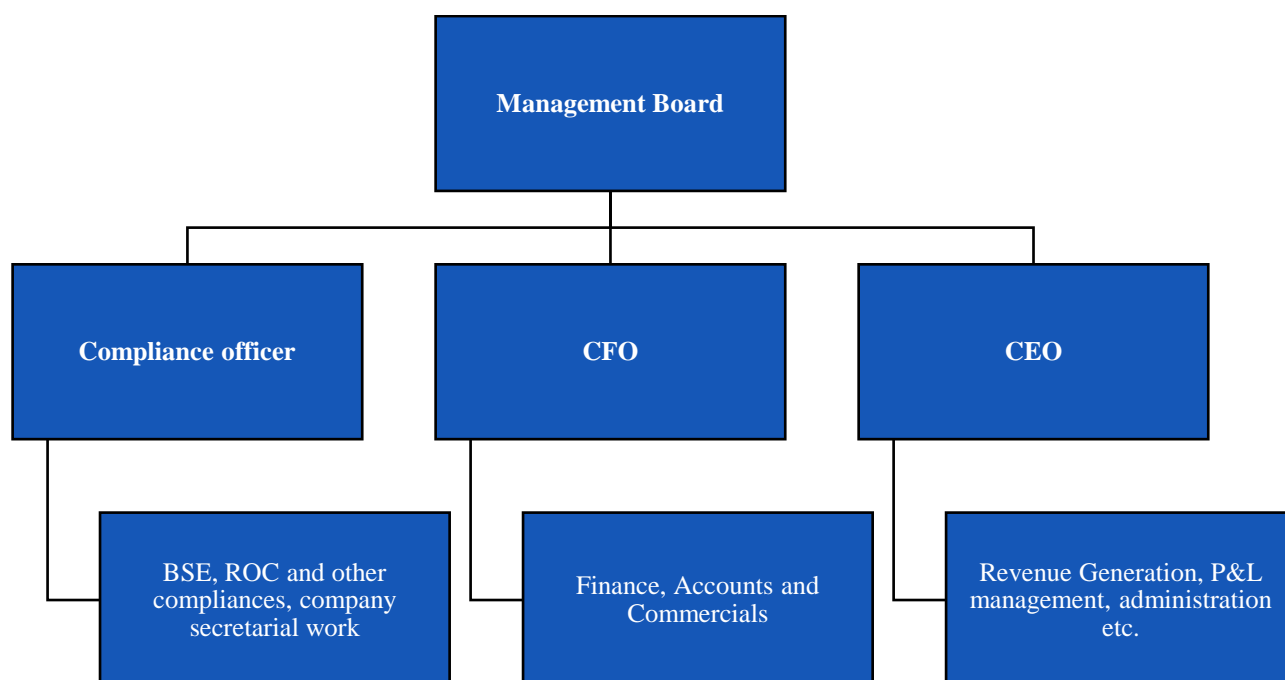
**Jinesh Deepakkumar Mistry**, is the Company Secretary and Compliance Officer of our Company. He has been appointed as a Key Managerial Personnel of our Company with effect from February 8, 2021. Jinesh is a Company Secretary and Compliance officer of a company. He possesses CS, LLB, DLP (Diploma in Labour Law Practices) and M. Com degree in his academic bucket and started his career as a Company Secretary with Sharanam Infraproject and Trading Limited and associated with a company from more than 18 Months. He has also specialized certificate on RERA and having his interest in academics. He has also taken the opportunity to pass on his knowledge to students of many institutes time being.

**Pareshbhai Ranchhodbhai Devaiya**, is the Chief Financial Officer of our Company. He has been associated with our Company since May 18, 2022 in the capacity of a Chief Financial Officer. Paresh is Graduate and have very good knowledge of Various It software, chronologies and financial market. He is Graduate by profession and have been associated with some of the midsize IT companies who were precisely into creating financial software and modules for Listed and midsize companies. He is well versed with Financial planning, budgeting, Performance based KPI creations, competitors analysis etc.

All our Key Managerial Personnel are permanent employees of our Company.

## MANAGEMENT ORGANIZATION STRUCTURE

Set forth is the organization structure of our Company:



## SECTION V – FINANCIAL INFORMATION

### FINANCIAL INFORMATION

S. No.	Details	Page Numbers
1.	The Statutory Auditor's Report and the Audited Financial Statements for the period ended on March 31, 2023	56 – 81

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**A. K. OSTWAL & Co.**

CHARTERED ACCOUNTANT

## INDEPENDENT AUDITORS' REPORT

TO,

**THE BOARD OF DIRECTOR OF  
SHARANAM INFRAPROJECT AND TRADING LIMITED**

### Report on the Standalone financial statements

We have audited the accompanying standalone financial statements of **SHARANAM INFRAPROJECT AND TRADING LIMITED**, which comprise the Balance Sheet as at 31/03/2023, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2023, and its Profit and its cash flows for the year ended on that date.

### Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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







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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

### Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

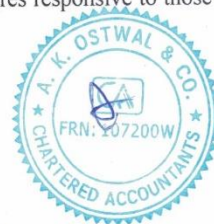
### Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and







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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.







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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2023 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

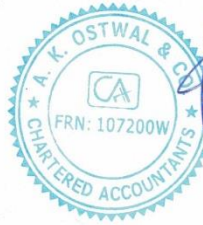
(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

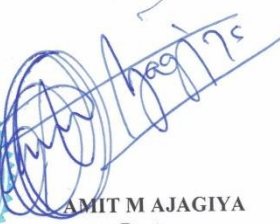
(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

FOR A. K. OSTWAL & CO.  
(Chartered Accountants)  
Reg No. :0107200W

Date : 16/05/2023  
Place : Ahmedabad



  
AMIT M AJAGIYA  
Partner  
M.No. : 140574  
UDIN : 23140574BGTQMC4695





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# A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

## ANNEXURE - A

### Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on 31st March 2023

To,

The Members of SHARANAM INFRAPROJECT AND TRADING LIMITED

(i) **Property, Plant and Equipment and Intangible Assets**

- (a) (A) The company has not maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has not maintained proper records showing full particulars of Intangible assets.
- (b) The company has not produced any evidence of Physical verification of Property, Plant and Equipment before us for verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, There are no such property with the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) **Inventory and other current assets**

- (a) As The company was not carrying any Inventories during the year, Physical verification of inventory has not been conducted by the management.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.





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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT  
(iii) Investment, Loans or Advances by Company

(a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

(b) The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

(c) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries, joint ventures and associates.

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to a party other than subsidiaries, joint ventures and associates.

(iv) **Loan to Directors and Investment by the Company**

(a) According to the information and explanation given to us and as per scrutiny of accounts done by us, it was affirmed that the company does not have any grant of loan. making investment and providing guarantee and security as per the provisions of section 185 and 186 of the Companies Act, 2013.

(v) **Deposits Accepted by the Company**

(a) The company has not accepted any Deposits hence the directive issued by the Reserve Bank of India and the provision of Section 73 to 76 or any relevant provisions of the Companies act and Rules made thereunder are not applicable.

(vi) **Maintenance of Cost records**

(a) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company.

(vii) **Statutory Dues**

(a) According to the records of the Company, Company's Goods and Service Tax Number is suspended by the department with effect from 15/01/2023.







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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

(viii) **Disclosure of Undisclosed Transactions**  
(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) **Loans or Other Borrowings**

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(b) According to the information and explanations given to us by the management, the Company has not obtained any term loans.

(c) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that Fund of Rs. 16.84 Lakhs have been raised on short-term basis by the Company for the business expenditure of the company

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013.

(x) **Money raised by IPO, FPOs**

(a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Hence this clause is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xi) **Reporting of Fraud During the Year**





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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANTS

(a) Based on our audit procedures and the information and explanation made available to us, no such fraud noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As per explanation given to us by management, The auditor has not received any whistle blower complaints during the year.

(xii) **Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

(a) As per information and records available with us The company is not Nidhi Company.

(b) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any any default in payment of interest on deposits or repayment thereof for any period.

(xiii) **Related party transactions**

(a) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) **Internal audit system**

(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has not any internal audit system commensurate with the size and nature of its business.

(b) The Company has not produced any Internal Audit report before us for the verification.

(xv) **Non cash transactions**

(a) The company has entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with.







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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

- (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) Cash Losses

- (a) The Company has incurred cash losses of Rs. 16.41 Lakhs during the current Year and there is no Cash Loss in the immediately preceding financial year.

(xviii) Consideration of outgoing auditors

- (a) There was a resignation of the statutory auditors during the year. and The auditor has taken into consideration the issues, objections or concern raised by the outgoing auditors

(xix) Material uncertainty in relation to realisation of financial assets and payment of financial liabilities

- (a) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) Compliance of CSR

- (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project.





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## A. K. OSTWAL & Co.

C H A R T E R E D A C C O U N T A N T  
Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) **Qualifications or adverse remarks in the consolidated financial statements**

- (a) On the basis of scrutiny of accounts, we have not mentioned any qualified or adverse remarks in the Companies (Auditor's report) Order (CARO) reports of the company which is included in the standalone financial statements.

Place : Ahmedabad  
Date : 16/05/2023

FOR A. K. OSTWAL & CO.  
(Chartered Accountants)  
Reg No. :0107200W



  
AMIT M AJAGIYA  
(Partner)  
Membership No : 140574  
UDIN : 23140574BGTQMC4695





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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

### **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of SHARANAM INFRAPROJECT AND TRADING LIMITED.**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of SHARANAM INFRAPROJECT AND TRADING LIMITED as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.





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## A. K. OSTWAL & Co.

CHARTERED ACCOUNTANT

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

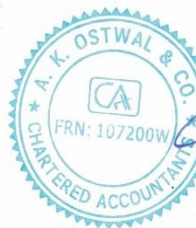
### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

FOR A. K. OSTWAL & CO.  
(Chartered Accountants)  
Reg No. :0107200W

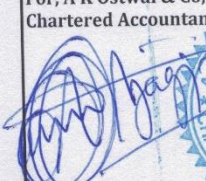

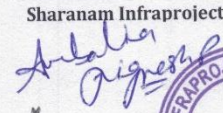









*[Signature]*  
AMIT MAJAGIYA  
Partner

Date : 16/05/2023  
Place : Ahmedabad

M.No. : 140574  
UDIN : 23140574BGTQMC4695



SHARANAM INFRAPROJECT AND TRADING LIMITED (CIN: L45201GJ1992PLC093662) STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED MARCH 31,2023 (Rs. In Lakhs)			
Particulars	Note No.	As at 31-03-2023	As at 31-03-2022
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	1	2.22	3.00
Capital Work in Progress			
Financial Assets	2	14.85	14.85
Investments		.00	.00
Loans & Advances	3	194.30	192.20
Other Non Current Assets		.00	.00
Deferred tax Assets	4	2.74	2.74
<b>Current assets</b>			
Current investments			
Inventories		.00	.00
Financial Assets			
Trade Receivables	5	173.27	173.27
Cash and Cash Equivalents	6	2.11	3.89
Loans & Advances		.00	.00
Other Current Assets			
Miscellaneous Expenditure (To the extent not written off)	7	40.27	40.26
<b>TOTAL ASSETS</b>		<b>429.76</b>	<b>430.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	8	500.01	500.01
Other Equity	9	-146.61	-129.42
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings		.00	.00
Deferred Tax Liabilities (Net)		.00	.00
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	10	22.45	5.61
Trade Payables		49.43	51.18
Short-Term Provisions		4.48	2.82
Other Current Liabilities	11	.00	.00
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>429.76</b>	<b>430.20</b>
Notes Forming Parts of Accounts		17	
<div> <div> <p>As per our report of even date</p> <p>For, A K Ostwal &amp; Co, Chartered Accountants</p>   <p>CA Amit M Ajagiya (Partner) Membership No. 140574 UDIN : 23140574BGTQMC4695</p> <p>Place :- Ahmedabad Date :- 16/05/2023</p> </div> <div> <p>For and on behalf of the Board Sharanam Infraproject and Trading Limited</p>   <p>Jigneshkumar Ambalia Managing Director DIN: 07784782</p>   <p>Pareshbhai Devarya CFO</p>   <p>Jyoti Shaileshkumar Panu Director DIN: 09723466</p>   <p>Jyesh Mistry Company Secretary</p> <p>Place :- Ahmedabad Date :- 16/05/2023</p> </div> </div>			



**SHARANAM INFRAPROJECT AND TRADING LIMITED (CIN: L45201GJ1992PLC093662)**  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023**

		(Rs. In Lakhs)		
	PARTICULARS	Note No.	Year Ended 31.03.2023	Year Ended 31.03.2022
I	Revenue from Operations	12	.00	17.69
II	Other Income	13	.00	.00
III	Total Income (I+II)		.00	17.69
IV	EXPENSES			
	(1) Cost of Materials Consumed		.00	.00
	(2) Purchase of Stock-In-Trade		.00	2.20
	(3) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		.00	.00
	(4) Employee Benefits Expense	14	1.56	3.22
	(5) Finance Cost	15	.01	.00
	(6) Depreciation and Amortisation Expense		.78	1.05
	(7) Other Expenses	16	14.85	7.96
	Total Expenses (IV)		17.19	14.43
V	Profit before Exceptional Items and Tax (III-IV)		-17.19	3.26
VI	Exceptional Items			
VII	Profit before Tax		-17.19	3.26
VIII	Tax Expense			
	(1) Current Tax		.00	.98
	(2) Prior Period Taxation		.00	.00
	(3) Deferred Tax			.00
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		-17.19	2.28
X	Profit /(Loss) from discontinued operations			
XI	Tax Expense of discontinued operations			
XII	Profit (Loss) from discontinuing operations (after tax) (X-XI)		.00	.00
XIII	Profit (Loss) for the period (IX-XIII)		-17.19	2.28
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XV	Total Comprehensive Income for the Period (XIII+XIV)		-17.19	2.28
XVI	Earnings Per Equity Share			
	(1) Basic		.00	.00
	(2) Diluted		.00	.00

Notes Forming Parts of Accounts

17

As per our report of even date

For, A K Ostwal & Co,

Chartered Accountants

CA Amit M Ajagiya

(Partner)

Membership No. 140574

UDIN : 23140574BGTQMC4695

For and on behalf of the Board

Sharanam Infraproject and Trading Limited

Jigneshkumar Ambalia  
Managing Director  
DIN: 07784782

Eeti Shalleshkumar Pan  
Director  
DIN: 09723466

Pareshbhai Devaiya  
CFO

Jignesh Mistry  
Company Secretary



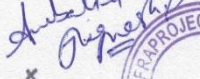

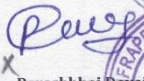


Place :- Ahmedabad

Date :- 16/05/2023

Place :- Ahmedabad

Date :- 16/05/2023



SHARANAM INFRAPROJECT AND TRADING LIMITED (CIN: L45201GJ1992PLC093662)		
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023		
		(Rs. In Lakhs)
Particulars	For the period ended on 31.03.2023	For the period ended on 31.03.2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	-17.19	3.26
<b>Adjustments for:</b>		
Depreciation	.78	1.05
Preliminary Exps. Written off		
Finance Cost	.00	.00
Operating Profit before Working Capital Changes	-16.41	4.31
<b>Movements in Working Capital :</b>		
Decrease / (Increase) in Inventories	.00	.00
Decrease / (Increase) in Sundry Debtors	.00	-8.40
Decrease / (Increase) in Loans and Advances	-2.10	.00
Decrease / (Increase) in Current Assets	-.01	.00
(Decrease) / Increase in Trade Payables	-1.75	1.95
(Decrease) / Increase in Short Term Provisions	1.66	2.73
(Decrease) / Increase in Current Liabilities	.00	.00
(Decrease) / Increase in Other Current Liabilities	.00	-.45
Cash (used in) / generated from operations	-18.61	.14
Direct Taxes Paid (net of refunds)	.00	.00
Net cash (used in) / generated from operating activities (A)	-18.61	.14
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) of Fixed Assets	.00	.00
Sale / Disposal of Fixed Assets	.00	.00
Profit on sale of Investment / Assets	.00	.00
Net cash (used in) / generated from investing activities (B)	.00	.00
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment) / Proceeds From Long Term Borrowings	.00	.00
(Repayment) / Proceeds From Short Term Borrowings	.00	.00
(Repayment) / Proceeds From Long Term Loans & Advances	16.84	.00
Proceeds from Issue of Shares	.00	.00
Interest Expense	.00	.00
Dividend	.00	.00
Net cash (used in) / generated from financing activities (C)	16.84	.00
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS (D)=(A+B+C)</b>	-1.78	.14
Cash and cash equivalents at the beginning of the year	3.89	3.75
Cash and cash equivalents at the end of the year	2.11	3.89
<b>Components of cash and cash equivalents</b>		
Cash and cheques on hand	1.89	2.96
With Scheduled Banks		
- in Current Account	.22	.00
- in Term Deposit Accounts	.00	.93
	2.11	3.89
<b>Notes</b>		
1) The figures in brackets represent outflows.		
2) Previous periods' figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.		
As per our report of even date		
For, A K Ostwal & Co, Chartered Accountants		
  CA Anant M Ajagiya (Partner) Membership No. 140574 UDIN: 23140574BGTQMC4695		
Place :- Ahmedabad Date :- 16/05/2023		
For and on behalf of the Board Sharanam Infraproject and Trading Limited   Jigneshkumar Ambalia Managing Director DIN: 07784782 Eeti Shaileshkumar Panch: Director DIN: 09723466   Pareshbhai Devaiya CFO  Jinesh Mistry Company Secretary		
Place :- Ahmedabad Date :- 16/05/2023		



**SHARANAM INFRAPROJECT AND TRADING LIMITED(CIN: L45201GJ1992PLC093662)**  
Notes to the Financial Statements for the Year ended 31st March, 2023

**Note no. 1 : Property, Plant and Equipment**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2022	Addition for the year	Transfer / Adjusted for the year	As at 31.03.2023	As at 01.04.2022	Addition for the year	As at 31.03.2023	As at 31.03.2022
Air Conditioner	2.45	.00		2.45	1.31	.30	.85	1.14
Furniture	2.69	.00		2.69	.84	.48	1.37	1.85
	.00		.00	.00	.00	.00	.00	.00
<b>Total Property, Plant and Equipment</b>	<b>5.14</b>	<b>.00</b>	<b>.00</b>	<b>5.14</b>	<b>2.14</b>	<b>.78</b>	<b>2.22</b>	<b>3.00</b>





## SHARANAM INFRAPROJECT AND TRADING LIMITED(CIN: L45201GJ1992PLC093662)

Notes to the Financial Statements for the Year ended 31st March, 2023

(Rs. In Lakhs)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
<b>NON CURRENT ASSETS</b>			
<b>2 FINANCIAL ASSET</b>			
	Inter Corporate Deposit	14.85	14.85
	Rent Deposit	.00	.00
	<b>Total</b>	<b>14.85</b>	<b>14.85</b>
<b>NON CURRENT ASSETS</b>			
<b>3 LONG TERM LOANS AND ADVANCES</b>			
	Unsecured Considered Good		
	Advances receivable in cash or in kind or for value to be received	194.30	192.20
	TDS/GST Receivable	.00	.00
	<b>Total</b>	<b>194.30</b>	<b>192.20</b>
<b>NON CURRENT ASSETS</b>			
<b>4 Deferred Tax Assets</b>			
	Balance as per last year	2.74	2.74
	<b>Total</b>	<b>2.74</b>	<b>2.74</b>
<b>CURRENT ASSETS</b>			
<b>5 Trade receivables (Unsecured considered good)</b>			
	Debts outstanding for a period exceeding six months	173.27	173.27
	<b>Total</b>	<b>173.27</b>	<b>173.27</b>
<b>CURRENT ASSETS</b>			
<b>FINANCIAL ASSET</b>			
<b>6 CASH AND CASH EQUIVALENT</b>			
	Cash on Hand (As Certified by Management)	1.89	2.96
	Balances with Bank including FDR		
	a. in Current Accounts	.22	.00
	b. in Term Deposit Accounts	.00	.93
	<b>Total</b>	<b>2.11</b>	<b>3.89</b>
<b>CURRENT ASSETS</b>			
<b>FINANCIAL ASSET</b>			
<b>7 Miscellaneous Expenditure (To the extent not written off)</b>			
	Preliminary Expenses	1.18	1.18
	Capital Issue Expenses	2.29	2.29
	BSE Direct Listing fees	36.79	36.79
	<b>Total</b>	<b>40.27</b>	<b>40.27</b>





Particulars	As at March 31,2023	As at March 31,2022
<b>9 OTHER EQUITY</b>		
Reserves & surplus		
Retained Earnings	-146.61	-129.42
General reserves	.00	.00
<b>Total</b>	<b>-146.61</b>	<b>-129.42</b>
<b>Current Liabilities</b>		
Financial Liabilities		
<b>10 BORROWINGS</b>		
Long Term Borrowing		
Loan from Shareholder	5.61	5.61
Other	16.84	.00
<b>Total</b>	<b>22.45</b>	<b>5.61</b>
<b>Current Liabilities</b>		
Financial Liabilities		
<b>TRADE PAYABLES</b>		
Sundry Creditors	49.43	51.18
<b>Total</b>	<b>49.43</b>	<b>51.18</b>
<b>SHORT TERM PROVISION</b>		
Provision for Tax	.98	.98
Other Expenses Payable	3.51	1.85
<b>Total</b>	<b>4.48</b>	<b>2.82</b>
<b>11 OTHER CURRENT LIABILITIES</b>		
Provision for the Service Tax/Swachha Bharar Cess	.00	.00
TDS Payable	.00	.00
Unpaid Exp	.00	.00
<b>Total</b>	<b>.00</b>	<b>.00</b>





**SHARANAM INFRAPROJECT AND TRADING LIMITED(CIN: L45201GJ1992PLC093662)**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31/03/2023**

(Rs. In Lakhs)

**(A) EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance as at the beginning of the year	500.01	500.01
Issued during the year	.00	.00
<b>Balance as at the end of the year</b>	<b>500.01</b>	<b>500.01</b>

**(B) OTHER EQUITY**

Particulars	Share Application Money Pending For Allotment	Reserves & Surplus				Equity Instrument measured through OCI	Total
		Retained Earnings	General reserves	Capital reserves	Security Premium	Revaluation reserve	
Balance as on 01.04.2022		-129.42	.00	.00	.00	.00	-129.42
Addition During the Year		.00	.00			.00	.00
Profit For the year		-17.19					-17.19
Transfer to Reserves		.00					.00
Other Comprehensive Income		.00					.00
Prior Period Loss		.00					.00
Dividend		.00					.00
Dividend Distribution Tax		.00					.00
<b>Balance as on 31.03.2023</b>	<b>.00</b>	<b>-146.61</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>-146.61</b>
Balance as on 01.04.2021		-131.71	.00	.00	.00	.00	-131.71
Profit For the year		2.28	.00				2.28
Transfer to Reserves		.00					.00
Other Comprehensive Income		.00					.00
Dividend		.00					.00
Dividend Distribution Tax		.00					.00
<b>Balance as on 31.03.2022</b>	<b>.00</b>	<b>-129.42</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>-129.42</b>

As per our report of even date

For, A K Ostwal & Co,

Chartered Accountants

CA Amit M Agiwa

(Partner)

Membership No. 140574

UDIN : 23140574BGTQM4695

Place :- Ahmedabad

Date :- 16/05/2023

For and on behalf of the Board

Sharanam Infra Project and Trading Limited

Jigneshkumar Ambalia

Managing Director

DIN: 07784782

Place :- Ahmedabad

Date :- 16/05/2023

Eefshaileshkumar Panchal

Director

DIN: 09723466

Place :- Ahmedabad

Date :- 16/05/2023

Parekh

Parekhbhai Devendra

CFO

Place :- Ahmedabad

Date :- 16/05/2023

Jignesh Mistry

Company Secretary

Place :- Ahmedabad

Date :- 16/05/2023



**SHARANAM INFRAPROJECT AND TRADING LIMITED(CIN: L45201GJ1992PLC093662)**  
**Notes to the Financial Statements for the Year ended 31st March, 2023**

Note No.	Particulars	(Rs. In Lakhs)	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
8	<b>Share Capital</b>		
	<b>Authorised share capital :-</b> 13,00,00,000 Equity Shares of Re.1/- each (P.Y. 5,50,00,000 Equity Shares of Re.1/- each)	1300.00	550.00
		1300.00	550.00
	<b>Issued, Subscribed &amp; Paid-up Share Capital:-</b> 5,00,01,000 Equity Shares of Re.1/- each (P.Y. 5,00,01,000 Equity Shares of Re.1/- each)	500.01	500.01
		500.01	500.01

**8.1 List of Share Holders having more than 5% holding**

Sr. No.	Name of Shareholder	As at 31 March, 2023		As at 31 March, 2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	PRATIK R KAKADIA	-	-	118.69	23.74%
2	KATHIRIYA KETAN MAGANBHAI	-	-	27.30	5.46%

**8.2 The Reconciliation of the number of shares outstanding is set out below :**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance as at the beginning of the year	500.01	500.01
Issued during the year	.00	.00
<b>Balance as at the end of the year</b>	<b>500.01</b>	<b>500.01</b>

**8.3 Terms and Rights attached to equity Shares**

The company has only one class of equity shares having a par value of Rs 1 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend proposed by the Board of Directors is subject to approval of the Shareholding in the ensuing Annual General Meeting.

**8.4 The company has not issued any Right/ Bonus shares during any preceding year.**



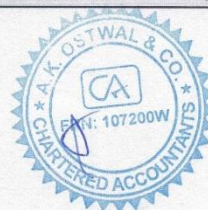


**SHARANAM INFRAPROJECT AND TRADING LIMITED(CIN: L45201GJ1992PLC093662)**

**Notes to the Financial Statements for the Year ended 31st March, 2023**

(Rs. In Lakhs)

Note No.	Particulars	for the year ending on March 31,2023	for the year ending on March 31,2022
<b>12</b>	<b><u>REVENUE FROM OPERATIONS</u></b>		
	Sale of Products	.00	17.69
	Sale of Services	.00	.00
	<b>Total</b>	<b>.00</b>	<b>17.69</b>
<b>13</b>	<b><u>OTHER INCOME</u></b>		
	Commission income	.00	.00
	Interest on FDR	.00	.00
	Income Tax Refund	.00	.00
	<b>Total</b>	<b>.00</b>	<b>.00</b>
<b>14</b>	<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
	Salaries and wages	1.40	3.14
	Directors Sitting Fees	.16	.08
	<b>Total</b>	<b>1.56</b>	<b>3.22</b>
<b>15</b>	<b><u>FINANCE COST</u></b>		
	Total Interest expenses	.00	.00
	Bank Charges	.01	.00
	<b>Total</b>	<b>.01</b>	<b>.00</b>
<b>16</b>	<b><u>OTHER EXP</u></b>		
	Advertisement Exp	.43	.00
	Printing & Stationery	.00	.06
	Postage	.00	.11
	Professional Charges	.63	.29
	Director Remuneration	.00	3.03
	Office Expenses	.00	.75
	Travelling Expenses	.00	1.55
	Telephone Expenses	.00	.17
	Other Expenses	.00	1.35
	Issuer/Joining/listing fees	3.54	.34
	ROC filling fees	8.75	.08
	Payment to Auditors	1.50	.25
	<b>Total</b>	<b>14.85</b>	<b>7.96</b>
<b>16.1</b>	<b><u>PAYMENT TO AUDITORS :</u></b>		
	Statutory Audit Fees	1.50	.25
	<b>Total</b>	<b>1.50</b>	<b>.25</b>





**SHARANAM INFRAPROJECT AND TRADING LIMITED**

**(CIN:- L45201GJ1992PLC093662)**

Regd Office : 303, EARTH ARISE, NEAR Y.M.C.A. CLUB, S.G. ROAD, MAKARBA, VEJALPUR,  
AHMEDABAD-380051, GUJARAT

Contact No: 079-9033871717, Email: sharanaminfraproject@gmail.com

**Note no : 17**

**Significant Accounting Policies and Notes to Account forming part of Financial Statement:**

• **Significant Accounting Policies:**

1. **Basis of Accounting**

The Assessee has Followed Mercantile Basis of accounting

2. **Fixed Assets**

Fixed Assets has been stated at historical cost less depreciation .

3. **Depreciation**

Depreciation on Fixed Assets has been provided as per Written Down Value Method as per the Useful Life prescribed under Schedule II of the Companies Act, 2013.

4. **Revaluation of Fixed Assets**

No Revaluation of Fixed Assets has been done the financial Year.

5. **Revenue Recognition**

There is no Revenue generated during the Year

6. **Sundry Debtors**

Debtors are subject to confirmation.

7. **Sundry Creditors**

Sundry Creditors Are subject to Confirmation.

8. **Unsecured Loans**

Unsecured Loans are subject to Confirmation.

9. **Retirement Benefits**

Retirement Benefits are incorporated on the Cash Basis As And When Paid.

10. **Taxes on Income**

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates. Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years.

11. **Foreign Currency Transactions**

There are no such Transaction during the year



• **Additional Information to the Financial Statements:**

1	Particulars	31/03/2023	31/03/2022
	Contingent liabilities and commitments (to the extent not provided for)	Nil	Nil
	Total Outstanding Dues to Micro, Small and Medium Enterprises for the year. The Company has not received any claim for interest from any supplier under the said Act.	Nil	Nil

2. Statements of Account / balance confirmations, wherever received, have been reconciled and impact thereof, if any, has been dealt with to the extent agreed up on by the Company. Claims or deductions, which are not accepted by the Company, are treated as contingent liability and accounted for in the year of final settlement.
3. In the opinion of management, the current assets, loans and advances have a value of realization in the ordinary course of business, at least to the amount equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.
4. No dividends is proposed to be distributed to equity and preference shareholders for the period. There are no arrears of fixed cumulative dividends on preference shares.
5. The Company has not raised any amount through issue.
6. The borrowings from banks and financial institutions, if any, have been used for the purpose for which it was taken at the balance sheet date.
7. In the opinion of the Board, all the assets other than Property, Plant and Equipment, Intangible assets and non-current investments do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
8. There are no Immoveable Property in name of the Company.
9. The Company has not revalued its Property, Plant and Equipment.
10. No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.
11. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
12. Since the Company has not availed any secured facility, the Registration of charges or satisfaction with Registrar of Companies is not applicable.
13. The Company has not entered into any transactions with struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
14. The company does not have any subsidiary Companies and accordingly, it is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
15. The Company has not entered into any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
16. The Company has not traded or invested in any Crypto currency or Virtual Currency during the financial year.
17. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise).





## 18 Ratios

Particulars	Numerator	Denominator	31/03/2023	31/03/2022	Variance (%)
Current Ratio	Current assets	Current liabilities	2.82	3.65	-22.74%
Debt - Equity Ratio	Total debt	Shareholder's equity	NA	NA	NA
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	NA	NA	NA
Return on Equity Ratio	Net profits after taxes	Shareholder's equity	-4.86%	0.62%	-883.87%
Inventory turnover ratio	Inventory	Revenue	NA	NA	NA
Trade Receivables turnover ratio	Revenue	Average trade receivable	NA	NA	NA
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	NA	NA	NA
Net capital turnover ratio	Revenue	Working capital	NA	NA	NA
Net profit ratio	Net profit	Revenue	NA	NA	NA
Return on Capital employed,	Earnings before interest and taxes	Capital employed	-4.86%	0.88%	-652.27%
Return on net worth (%)	Net profits after taxes	Shareholder's equity	-4.86%	0.62%	-883.87%
Net asset value per share (Rs.)	(Total Assets- Liabilities)	Number of Shares	0.71	0.74	-4.05%
Return on investment					
(i) Unquoted	Income generated from investments	Time weighted average investments	NA	NA	NA
EBIDTA	N.A.	N.A.	-16.41	4.31	-480.82%

Ratio	Reason for Variation
Current Ratio	Ratio increased due to increase in the Current Assets of the Company.
Debt - Equity Ratio	As There is no Debt at the end of the year, This ratios is not applicable.
Debt Service Coverage Ratio	As There is no Debt at the end of the year, This ratios is not applicable.
Return on Equity Ratio	Return of Equity decreased due to loss during the current year.
Inventory turnover ratio	As There is no Inventory and Revenue during the current Year, This ratios is not applicable.
Trade Receivables turnover ratio	As There is no Revenue during the current Year, This ratios is not applicable.
Trade payables turnover ratio	As There is no Purchases during the current Year, This ratios is not applicable.
Net capital turnover ratio	As There is no Revenue during the current Year, This ratios is not applicable.
Net profit ratio	As There is no Revenue during the current Year. This ratios is not applicable.
Net asset value per share (Rs.)	Return of Equity decreased due to loss during the current year.
Return on investment	NAV is decrease due to loss during the year
Return on Capital employed,	As There is no Investment in company, This ratios is not applicable.
EBIDTA	EBIDTA is decreased due to loss incurred during the year.



• **Notes to Accounts:**

**1. RELATED PARTY TRANSACTIONS**

As per Accounting Standard (AS) 18, 'Related Party Disclosures' prescribed under the Accounting Standard Rules, the disclosures of the details of the related parties and the transactions entered with them are given below:

**2. List of Related Parties**

Sr No.	Nature	Name of the person
1	Key Management Personnel	Mr. Pareshbhai Ranchhodbhai Devaiya
2	Key Management Personnel	Mr. Jinesh Deepakkumar Mistry
3	Managing Director	Mr. Jigneshkumar Parshottambhai Ambalia
4	Director	Mr. Savankumar Shingala
5	Director	Mr. Siddharth Jayantibhai Patel
6	Director	Mrs. Eeti Shaileshkumar Panchal

**3. List of Transactions entered with Related Parties**

Sr No.	Nature of Transactions	Amount (In Lakhs)
1	LOANS TAKEN	
	Balance as at 1st April	0
	Taken During the Year	20.68
	Returned During the Year	3.84
	Balance as at 31st March	16.84
2	SALARY	1.20

**4. PAYMENT TO AUDITOR**

The following expenses are incurred on Auditor's in the following manner:

Sr No.	Particulars	Amount (Current Year) (In Lakhs)	Amount (Previous Year) (In Lakhs)
1	As an Auditor	1.50	0.25
	<b>Total</b>	<b>1.50</b>	<b>0.25</b>

**5. FOREIGN CURRENCY TRANSACTION**

The details of the foreign currency Transaction are as follows:

Sr No.	Particulars	Amount (Current Year)	Amount (Previous Year)
1	Expenditure In Foreign Currency	NIL	Nil
2	Earnings In Foreign Currency	NIL	Nil

**6. Figures have been regrouped and rearranged wherever found necessary.**

As Per our audit report of even Date  
FOR A. K. OSTWAL & CO.  
(Chartered Accountants)  
FRN : 0107200W

  
AML P MAJAGIYA  
(PARTNER)  
Membership No : 140574  
UDIN : 23140574BGTQMC4695

Place : Ahmedabad  
Date : 16/05/2023

For and on behalf of the Board  
FOR SHARANAM INFRAPROJECT AND TRADING LIMITED

  
Jigneshkumar Ambalia  
Managing Director  
DIN: 07784782

  
Eeti Shaileshkumar Panchal  
Director  
DIN: 09723466

  
Pareshbhai Devaiya  
CFO

  
Jinesh Mistry  
Company Secretary

Place : Ahmedabad  
Date : 16/05/2023



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our audited financial statements as of and for the financial year 2022-23 and 2021-22 included in this Letter of Offer. Our audited financial statements for the financial year 2022-23 and 2021-22 are prepared in accordance with Ind AS. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements and Unaudited Financial Results of our Company.*

*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 set forth in the sections titled "Risk Factors" and "Forward-Looking Statements" on pages 19 and 15 respectively.*

*Our financial year ends on March 31 of each year, so all references to a particular "financial year" and "Fiscal" are to the twelve (12) month period ended March 31 of that year. References to the "Company", "we", "us" and "our" in this chapter refer to Sharanam Infraproject and Trading Limited on a consolidated basis, as applicable in the relevant fiscal period, unless otherwise stated.*

### OVERVIEW OF OUR BUSINESS

Company is engaged in supply chain distribution of Various Steel Products including building materials in Gujarat & nearby States. Since company was not very significantly operative, but post new Professional management on boarding, company has arrived to a decision to enter and trade and fill Gap in Supply chain management for steel products in Gujarat.

Company is not limited to other infrastructural products supply chain distribution but following products;

- Seamless or welded steel pipes.
- Blooms and slabs.
- Welded pipe.
- Electric resistance welding (ERW)
- High frequency induction welding (HFI)
- Longitudinal submerged arc welding (LSAW)
- Seamless pipe.
- Oil and gas industry usage.
- Real Estate and Infrastructural projects

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 19. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations of our manufacturing units;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to attract and retain qualified personnel;
- Our ability to maintain and enhance our brand image;
- Our ability to successfully execute our expansion strategy in a timely manner.
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our reliance on third party suppliers for our products;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations; • Market fluctuations and industry dynamics beyond our control;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;



- Any adverse development that may affect the operations of our manufacturing units; The performance of the financial markets in India and globally;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with our Subsidiary, Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

## **SIGNIFICANT ACCOUNTING POLICIES**

Significant Accounting Policies and Notes to Account forming part of Financial Statement:

- **Significant Accounting Policies:**

1. **Basis of Accounting**  
The Assessee has Followed Mercantile Basis of accounting
2. **Fixed Assets**  
Fixed Assets has been stated at historical cost less depreciation.
3. **Depreciation**  
Depreciation on Fixed Assets has been provided as per Written down Value Method as per the Useful Life prescribed under Schedule II of the Companies Act, 2013.
4. **Revaluation of Fixed Assets**  
No Revaluation of Fixed Assets has been done the financial Year.
5. **Revenue Recognition**  
There is no Revenue generated during the Year
6. **Sundry Debtors**  
Debtors are subject to confirmation.
7. **Sundry Creditors**  
Sundry Creditors Are subject to Confirmation.
8. **Unsecured Loans**  
Unsecured Loans are subject to Confirmation.
9. **Retirement Benefits**  
Retirement Benefits are incorporated on the Cash Basis as and When Paid.
10. **Taxes on Income**  
Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates. Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years.
11. **Foreign Currency Transactions**  
There are no such Transaction during the year

• **Additional Information to the Financial Statements:**

1	Particulars	31/03/2023	31/03/2022
	Contingent liabilities and commitments (to the extent not provided for)	Nil	Nil
	Total Outstanding Dues to Micro, Small and Medium Enterprises for the year. The Company has not received any claim for interest from any supplier under the said Act.	Nil	Nil

2. Statements of Account / balance confirmations, wherever received, have been reconciled and impact thereof, if any, has been dealt with to the extent agreed up on by the Company. Claims or deductions, which are not accepted by the Company, are treated as contingent liability and accounted for in the year of final settlement.
3. In the opinion of management, the current assets, loans and advances have a value of realization in the ordinary course of business, at least to the amount equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.
4. No dividends is proposed to be distributed to equity and preference shareholders for the period. There are no arrears of fixed cumulative dividends on preference shares.
5. The Company has not raised any amount through issue.
6. The borrowings from banks and financial institutions, if any, have been used for the purpose for which it was taken at the balance sheet date.
7. In the opinion of the Board, all the assets other than Property, Plant and Equipment, Intangible assets and non-current investments do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
8. There are no Immovable Property in name of the Company.
9. The Company has not revalued its Property, Plant and Equipment.
10. No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.
11. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
12. Since the Company has not availed any secured facility, the Registration of charges or satisfaction with Registrar of Companies is not applicable.
13. The Company has not entered into any transactions with struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
14. The company does not have any subsidiary Companies and accordingly, it is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
15. The Company has not entered into any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
16. The Company has not traded or invested in any Crypto currency or Virtual Currency during the financial year.
17. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise).

**18. Ratios**

Particulars	Numerator	Denominator	31/03/2023	31/03/2022	Variance (%)
<b>Current Ratio</b>	Current assets	Current liabilities	2.82	3.65	-22.74%
<b>Debt - Equity Ratio</b>	Total debt	Shareholder's equity	NA	NA	NA

Particulars	Numerator	Denominator	31/03/2023	31/03/2022	Variance (%)
<b>Debt Service Coverage Ratio</b>	Earnings available for debt service	Debt service	NA	NA	NA
<b>Return on Equity Ratio</b>	Net profits after taxes	Shareholder's equity	-4.86%	0.62%	-883.87%
<b>Inventory turnover ratio</b>	Inventory	Revenue	NA	NA	NA
<b>Trade Receivables turnover ratio</b>	Revenue	Average trade receivable	NA	NA	NA
<b>Trade payables turnover ratio</b>	Purchases of services and other expenses	Average trade payables	NA	NA	NA
<b>Net capital turnover ratio</b>	Revenue	Working capital	NA	NA	NA
<b>Net profit ratio</b>	Net profit	Revenue	NA	NA	NA
<b>Return on Capital employed,</b>	Earnings before interest and taxes	Capital employed	-4.86%	0.88%	-652.27%
<b>Return on net worth (%)</b>	Net profits after taxes	Shareholder's equity	-4.86%	0.62%	-883.87%
<b>Net asset value per share (Rs.)</b>	(Total Assets-Liabilities)	Number of Shares	0.71	0.74	-4.05%
<b>Return on investment</b>					
(i) Unquoted	Income generated from investments	Time weighted average investments	NA	NA	NA
<b>EBIDTA</b>	N.A.	N.A.	-16.41	4.31	-480.82%

Ratio	Reason for Variation
Current Ratio	Ratio increased due to increase in the Current Assets of the Company.
Debt - Equity Ratio	As There is no Debt at the end of the year, This ratios is not applicable.
Debt Service Coverage Ratio	As There is no Debt at the end of the year, This ratios is not applicable.
Return on Equity Ratio	Return of Equity decreased due to loss during the current year.
Inventory turnover ratio	As There is no Inventory and Revenue during the current Year, This ratios is not applicable.
Trade Receivables turnover ratio	As There is no Revenue during the current Year, This ratios is not applicable.
Trade payables turnover ratio	As There is no Purchases during the current Year, This ratios is not applicable.
Net capital turnover ratio	As There is no Revenue during the current Year, This ratios is not applicable.
Net profit ratio	As There is no Revenue during the current Year. This ratios is not applicable.
Net asset value per share (Rs.)	Return of Equity decreased due to loss during the current year.
Return on investment	NAV is decrease due to loss during the year
Return on Capital employed,	As There is no Investment in company, This ratios is not applicable.
EBIDTA	EBIDTA is decreased due to loss incurred during the year.

• **Notes to Accounts:**

**1. RELATED PARTY TRANSACTIONS**

As per Accounting Standard (AS) 18, 'Related Party Disclosures' prescribed under the Accounting Standard Rules, the disclosures of the details of the related parties and the transactions entered with them are given below:

**2. List of Related Parties**

Sr. No.	Nature	Name of the person
1	Key Management Personnel	Mr. Pareshbhai Ranchhodbhai Devaiya
2	Key Management Personnel	Mr. Jinesh Deepakkumar Mistry
3	Managing Director	Mr. Jigneshkumar Parshottambhai Ambalia
4	Director	Mr. Savankumar Shingala
5	Director	Mr. Siddharth Jayantibhai Patel
6	Director	Mrs. Eeti Shaileshkumar Panchal

**3. List of Transactions entered with Related Parties**

Sr. No.	Nature of Transactions	Amount (In Lakhs)
1	LOANS TAKEN	
	Balance as at 1st April	0
	Taken During the Year	20.68
	Returned During the Year	3.84
	Balance as at 31st March	16.84
2	SALARY	1.20

#### 4. 4. PAYMENT TO AUDITOR

The following expenses are incurred on Auditor's in the following manner:

Sr. No.	Particulars	Amount (Current Year) (In Lakhs)	Amount (Previous Year) (In Lakhs)
1	As an Auditor	1.50	0.25
	<b>Total</b>	<b>1.50</b>	<b>0.25</b>

#### 5. FOREIGN CURRENCY TRANSACTION

The details of the foreign currency Transaction are as follows:

Sr. No.	Particulars	Amount (Current Year)	Amount (Previous Year)
1	Expenditure In Foreign Currency	NIL	Nil
2	Earnings In Foreign Currency	NIL	Nil

6. Figures have been regrouped and rearranged wherever found necessary.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND DEFAULTS

*Our Company is not involved in any legal proceedings which are in the nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities, issues of moral turpitude or criminal liability on the part of our Company, material violations of statutory regulations by our Company, economic offences where proceedings have been initiated against our Company, any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position and other litigation involving our Company, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) or is otherwise material in terms of the Materiality Policy.*

#### **Litigations involving our Company**

*Proceedings involving issues of moral turpitude or criminal liability on the part of our Company Nil*

*Proceedings involving material violations of statutory regulations by our Company Nil*

*Economic offences where proceedings have been initiated against our Company Nil*

*Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company Nil.*

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for the renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 38 of this Letter of Offer.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board of Directors in its meeting dated October 4, 2022 have authorised this Issue under Section 62(1) (a) and other applicable provisions of the Companies Act, 2013.

Our Board, at its meeting held on October 13, 2022, determined the Issue Price as ₹ 1 per Rights Equity Share and the Rights Entitlement as 3 Rights Equity Shares for every 2 Equity Shares held on the Record Date, i.e., Monday, May 22, 2023. The Issue Price of ₹ 1/- per Rights Equity Share has been arrived at.

Our Company has received 'in-principle' approval from the BSE for listing of the Rights Equity Shares to be allotted pursuant to this Issue through its letter dated March 24, 2023.

Our Company has been allotted the ISIN INE104S20014 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 93.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoters and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### Prohibition by RBI

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

### Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on the Stock Exchange i.e. BSE Limited ("BSE"). Our Company is eligible to undertake and offer the Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations, to the extent applicable. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI to the SEBI ICDR Regulations.

### Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made an application to the Stock Exchange for in-principle approval of the Rights Equity Shares to be issued pursuant to the Issue. BSE is the Designated Stock Exchange for the Issue.

### Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with SEBI;
2. The reports, statements and information referred to above are available on the website of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

#### **DISCLAIMER CLAUSE OF SEBI**

The present Issue being of less than ₹ 5,000 Lakhs, our Company is in compliance with first provision to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI for informative purposes as a gesture of good governance.

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS LETTER OF OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER.**

#### **DISCLAIMER CLAUSE OF BSE LIMITED**

BSE Limited ("the Exchange") has given vide its letter dated March 24, 2023, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company 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 for any other reason whatsoever.

#### **DISCLAIMER FROM OUR COMPANY AND OUR DIRECTORS**

Our Company and our Directors accept no responsibility for statements made other than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information, including our Company's website [www.sharanaminfra.co.in](http://www.sharanaminfra.co.in), or any affiliate(s) of our Company would be doing so at their own risk.



Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice/ evaluation as to their ability and quantum of investment in this Issue.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Ahmedabad, India only.

## **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

## **LISTING**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

## **SELLING RESTRICTIONS**

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Draft Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer, Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchange

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

## **CONSENTS**

Consents in writing of: our Directors, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer. Our Company has received written consent dated May 15, 2023 from our Statutory Auditor, to include their name in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated May 15, 2023 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer.

## **EXPERT OPINION**

Our Company has received written consent dated May 15, 2023 from our Statutory Auditor to include their name as required in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated May 15, 2023 and such consent has not been withdrawn as of the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Auditors, our Company has not obtained any expert opinions.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company. Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required.

Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Skyline Financial Services Private Limited is our Registrar and Share Transfer Agent for this issue. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

**Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs(in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on -page 93 of this Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

Investor Grievances arising out of this Issue: Investors may contact the Registrar to the Issue at:

**Skyline Financial Services Private Limited.**

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

**Telephone:** 011-40450193/97

**Email:** ipo@skylinerta.com

**Website:** www.skylinerta.com

**Investor grievance e-mail:** investors@skylinerta.com

**Contact Person:** Mr. Anuj Kumar

**SEBI Registration No.:** INR000003241

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

Mr. Jinesh Deepakkumar Mistry, Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder:

**Telephone:** 079-29707666; **E-mail:** sharanaminfraproject@gmail.com

## SECTION VII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.*

*Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see 'Making Application by Eligible Equity Shareholders holding Equity Shares in physical form' beginning on page no. 99 of this Letter of Offer.*

*Investors are requested to note that application in this issue can only be made through ASBA.*

*The Rights Entitlement on the Securities, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents / records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Securities to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Securities pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.*

*Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 ("SEBI – Rights Issue Circular"), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.*

### OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

#### **Important:**

#### **I. Dispatch and availability of Issue materials:**

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/ dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material ("**Issue Materials**") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their

valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- (i) Our Company at [www.sharanaminfra.co.in](http://www.sharanaminfra.co.in);
- (ii) The Registrar at [www.skylinerta.com](http://www.skylinerta.com);

Eligible Equity Shareholders who have not received the CAF may apply, along with the requisite application money, by using the CAF available on the websites above, or on plain paper, with the same details as per the CAF available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

**Please note that neither our Company nor the Registrar shall be responsible for non- dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or redistributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email addresses and an Indian address to our Company.

## **II. Process of making an Application in this Issue:**

**In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA**

**process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see “Making of an Application through the ASBA Process” on page no. 96 of this Letter of Offer.**

*The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “Terms of the Issue - Credit of Rights Entitlements in dematerialised account” on page 104.*

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSBs) for authorizing such SCSBs to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSBs.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSBs). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “Terms of the Issue - Grounds for Technical Rejection” on page 101. Our Company the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Terms of the Issue - Making an Application on Plain Paper under ASBA process” beginning on page 97.

#### **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part);  
or
- iii. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- v. renounce its Rights Entitlements in full.

#### **Additional Rights Equity Shares**

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part

of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the BSE. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section 'Basis of Allotment' on page 111 of the Letter of Offer.

### **Making of an Application through the ASBA process**

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSBs or online / electronic Application through the website of the SCSBs (if made available by such SCSBs) for authorizing such SCSBs to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSBs, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

### **SCSB-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSBs should have a separate account in its own name with any other SEBI registered SCSBs. Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### **Do's for Investors applying through ASBA:**

- a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSBs.
- d) Ensure that you have authorised the SCSBs for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- e) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSBs providing ASBA facility in such location.
- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSBs for your submission of the Application Form in physical form or plain paper Application.
- g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure



that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

- h) Ensure that your PAN is linked with Aadhar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

**Don'ts for Investors applying through ASBA:**

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSBs or vice versa.
- (b) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSBs), and a branch of the SCSBs which is not a Designated Branch of the SCSBs or our Company; instead submit the same to a Designated Branch of the SCSBs only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.
- (d) Do not submit Application Form using third party ASBA account.
- (e) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

**Making an Application on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSBs for authorizing such SCSBs to block Application Money in the said bank account maintained with the same SCSBs. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder, including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of SCSBs before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Sharanam Infraproject and Trading Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total Application Money paid at the rate of ₹ 1.00 per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSBs;

12. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSBs with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorisation to the Designated Branch of the SCSBs to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSBs ); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

*"I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act ("Regulation S") to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.*

*I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer.*

*I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/ We acknowledge that we, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."*

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

## **Making of Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or us Company, Eligible Equity Shareholders should visit as under.

<b>Company</b>	<b>Registrar to our Company</b>
<b>SHARANAM INFRAPROJECT AND TRADING LIMITED</b> <b>Registered Office:</b> 303, Earth Arise, Nr. Y.M.C.A. Club, S. G. Road, Makarba, Vejalpur, Ahmedabad Gujarat 380051- India; <b>Tel. No.:</b> 079-2970 7666; <b>Email:</b> sharanaminfraproject@gmail.com	<b>MCS SHARE TRANSFER AGENT LIMITED</b> 101, Shatdal Complex, Opp:Bata Show Room, Ashram Road, Ahmedabad-380009 <b>Tel No.:-</b> (079)26580461 / 62 / 63 <b>Email:-</b> mcsstaahmd@gmail.com

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self- attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- The remaining procedure for Application shall be same as set out in “***Terms of the Issue - Making an Application on Plain Paper under ASBA process***” **beginning on page 97.**

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

## **Application for Additional Equity Shares**

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “Terms of the Issue - Basis of Allotment” beginning on page 111.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.**

## **Additional General instructions for Investors**

- Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.

- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section ***“Terms of the Issue - Making an Application on Plain Paper under ASBA process”*** on page 97.
- d) Applications should be submitted to the Designated Branch of the SCSBs or made online/electronic through the website of the SCSBs (if made available by such SCSBs) for authorising such SCSBs to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- e) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not SCSBs), our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Application Form.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSBs, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSBs.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSBs. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical application
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

#### **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to the Company, Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSBs), to a branch of a SCSBs which is not a Designated Branch of the SCSBs.
- d) Insufficient funds are available in the ASBA Account with the SCSBs for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- k) Applications by SCSBs on own account, other than through an ASBA Account in its own name with any other SCSBs.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the application Form and this Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).
- s) Payment from third party bank accounts.

### **Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure – Intention and extent of participation by our Promoter and Promoter Group*” beginning on page 36.

### **Last date for Application**

The last date for submission of the duly filled in the Application Form or a plain paper Application is Friday, June 9, 2023, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, **subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).**

If the Application Form is not submitted with an SCSBs, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSBs on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Letter of Offer shall be deemed to have been declined and our

Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, **as provided under the heading “Terms of the Issue- Basis of Allotment” on page 111.**

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

#### **Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

#### **Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### **Withdrawal of Application**

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSBs where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their application post the Issue Closing Date.

#### **Disposal of Application and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an application is rejected in part, the balance of Application



Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

**For further instructions, please read the Application Form carefully.**

### **III. Credit of Rights Entitlements in dematerialised account**

#### ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://www.skylinerta.com/>) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., <http://www.sharanaminfra.co.in/>).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE104S20014. The said ISIN all remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., <https://www.skylinerta.com/>). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "Sharanam Infraproject And Trading Limited-Rights Entitlement Suspense Escrow Demat Account") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by Wednesday, June 7, 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

#### **IV. Renunciation of Trading of Rights Entitlement**

##### **Renouncees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounce (s) as well.

##### **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to Issue Closing Date, will not be able to renounce their Right Entitlements.

##### **Procedure for Renunciation of Rights Entitlements**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off -market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. **Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.**

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

##### **1. On Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE104S20014 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be

given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement. The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Wednesday, May 31, 2023 to Tuesday, June 6, 2023 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE104S20014 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE Limited under automatic order matching mechanism and on 'T+2 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stockbroker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

## **2. Off Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE104S20014, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **V. Mode of payment**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA.

In case of Application through ASBA facility, the Investor agrees to block the Application Money with the submission of the Application Form, by authorizing the SCSBs to block an amount, equivalent to the Application Money, in the Investor's ASBA Account. The SCSBs may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSBs, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSBs shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in subsection (3) of Section 40 of the Companies Act, 2013.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSBs.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

### **Payment by stock invest**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### **Mode of payment for Non-Resident Investors**

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

### **VI. Basis for this Issue and Terms of Issue**

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see **“The Issue” beginning on page 31.**

#### **Face Value**

Each Rights Equity Share will have the face value of ₹ 1/-.

#### **Issue Price**

The Rights Equity Share is being offered at a price of ₹ 1/- per Rights Equity Share in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company at its board meeting held on October 13, 2022 and has been decided prior to the determination of the Record Date.

#### **Rights Entitlements Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 3 rights Equity Shares for every 2 Equity Share held by the Eligible Equity Shareholders as on the Record Date.

### **Fractional Entitlements**

For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 2 (Two) Equity Shares or is not in multiples of 2 (Two), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.

### **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issue by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and allotted under this Issue shall rank pari passu with the existing Equity Shares, in all respects including dividends.

### **Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principal approval from the BSE Limited through letter bearing reference number LOD/RIGHT/IB/FIP/3255/2022-23 dated March 24, 2023. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

For an applicable period, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid -up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law.

The existing Equity Shares are listed and traded on BSE Limited (Scrip Code: 539584) under the ISIN: INE104S01022. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within eight days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

### **Subscription to this Issue by our Promoters and our Promoter Group**

For details of the intent and extent of subscription by our Promoters and the Promoter Group, see "Capital Structure – Intention and extent of participation by our Promoters and Promoter Group" beginning on page 36.

### **Rights of Holders of Rights Equity Shares of our Company**



Subject to applicable laws, Rights Equity Shareholders shall have the following rights in proportion to amount paid up on the Rights Equity Shares:

- a) The right to receive dividend, if declared;
- b) The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders holding Equity Shares in physical form;
- c) The right to receive surplus on liquidation;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.**

## **VII. GENERAL TERMS OF THE ISSUE**

### **Market Lot**

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

### **Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### **Arrangements for Disposal of Odd Lots**

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

### **Notices**

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send / dispatch the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue materials ("Issue Materials") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their email address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Gujarati language daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is situated) and/or, will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company. This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

### **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar i.e. Skyline Financial Services Private Limited at D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc.

### **Allotment of the Rights Equity Shares in Dematerialized Form**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 112.

## VIII. Issue Schedule

<b>LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS (ON OR ABOUT)</b>	Friday, May 26, 2023
<b>ISSUE OPENING DATE</b>	Wednesday, May 31, 2023
<b>LAST DATE FOR ON MARKET RENUNCIATION*</b>	Tuesday, June 6, 2023
<b>ISSUE CLOSING DATE<sup>#</sup></b>	Friday, June 9, 2023
<b>FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)</b>	Thursday, June 15, 2023
<b>DATE OF ALLOTMENT (ON OR ABOUT)</b>	Friday, June 16, 2023
<b>DATE OF CREDIT (ON OR ABOUT)</b>	Wednesday, June 21, 2023
<b>DATE OF LISTING (ON OR ABOUT)</b>	Thursday, June 22, 2023

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

# Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., Wednesday, June 7, 2023 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e. Thursday, June 8, 2023.

For details, see “General Information - Issue Schedule” on page 32.

## IX. Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'. Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by us Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

#### **X. Allotment Advice or Refund/ Unblocking of ASBA Accounts**

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

#### **XI. Payment of Refund**

##### **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

- a) Unblocking amounts blocked using ASBA facility.
- b) NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) National Electronic Fund Transfer ("NEFT") – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("IFSC Code"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have

registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

- d) Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) RTGS – If the refund amount exceeds ₹ 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

#### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

#### **XII. Allotment Advice or Demat Credit of Securities**

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

#### **Receipt of the Rights Equity Shares in Dematerialized Form**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated September 11, 2015 with NSDL and an agreement dated July 9, 2015 with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

#### **INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.



2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

### **XIII. Impersonation**

**As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:**

**“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”**

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1 % of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud extending upto three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public **interest, then such fraud is** punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

### **XIV. Utilization of Issue Proceeds**

Our Board declares that:

- a. All monies received out of this Issue shall be transferred to a separate bank account;
- b. Details of all monies utilized out of this Issue referred to under (A) shall be disclosed under an appropriate separate head in the balance of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

### **XV. Undertakings by our Company**

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.

- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within the time limit specified by SEBI.
- 3) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) Adequate arrangements shall be made to collect all ASBA Applications.
- 7) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## **XVI. Investor Grievances, Communication and Important Links**

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "Sharanam Infraproject and Trading Limited – Rights Issue" on the envelope and postmarked in India or in the email) to the Registrar at the following address:

<b>Name</b>	: Skyline Financial Services Private Limited
<b>Address</b>	: D-153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020
<b>Tel No.</b>	: +91-11-40450193-97, 26812682-83
<b>Email Id</b>	: ipo@skylinerta.com
<b>Investor Grievance Email</b>	: investor@skylinerta.com
<b>Contact Person</b>	: Mr. Anuj Kumar
<b>Website</b>	: www.skylinerta.com
<b>SEBI Registration No.</b>	: INR000003241

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (<https://www.skylinerta.com/>). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 62638200.

This Issue will remain open for a minimum 7 days. However, our Board or duly authorized committee thereof, will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (Formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (OCBs) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **RESTRICTIONS ON PURCHASES AND REALES**

### **General Eligibility and Restrictions**

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Issue Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Equity Shares in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlements and Issue Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States (other than to persons in the United States who are U.S. QIBs and QPs).

The Rights Entitlements or the Equity Shares may not be offered or sold, directly or indirectly, and none of this Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Equity Shares, applying for excess Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Equity Shares.

This Letter of Offer and its accompanying documents will be supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Equity Shares, or who purchases the Rights Entitlements, or the Equity Shares shall do so in accordance with the restrictions in their respective jurisdictions.

### **United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly within the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Rights Entitlements and Rights Equity Shares referred to in this Letter of Offer are being offered in offshore transactions outside the United States in compliance with Regulations under the US Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. Neither receipt of this Letter of Offer, nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholder who has received this Letter of Offer and its accompanying documents directly from our Company or the Registrar.

### **Representations, Warranties and Agreements by Purchasers**

Each person outside of the United States by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of Seller and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the US Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/ or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed SCSB efforts” in the United States (as such term is defined in Regulations).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence,

and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of its jurisdiction of residence.

5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with SEBI and the Stock Exchange); and it will not offer, sell, pledge or otherwise transfer any of the Rights Entitlements or the Rights Equity Shares which it may acquire, or any beneficial interests there in, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations. The purchaser agrees to notify any transferee to whom it subsequently reoffers, sells, pledges or otherwise transfers the Rights Entitlements and the Rights Equity Shares of the restrictions set forth in the Letter of Offer under the heading ***“Restrictions on Purchases and Resales”***.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
9. Neither the purchaser nor any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.

Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below), and will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of our Company concerning the financial condition and results of operations of our Company and the purchase of the Rights Entitlements or the Rights Equity Shares, and any such questions have been answered to its satisfaction; (iv) will have possessed and reviewed all information that it believes is necessary or appropriate in connection with an investment in the Rights Entitlements and the Rights Equity Shares; (v) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgment, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

10. Without limiting the generality of the foregoing, the purchaser acknowledges that (i) the Rights Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; (ii) our Company does not expect or intend to become subject to



the periodic reporting and other information requirements of the Securities and Exchange Commission; and (iii) neither our Company nor any of its affiliates, or any of their affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements or the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

11. The purchaser understands that the Exchange Information and this Letter of Offer have been prepared in accordance with content, format and style which is either prescribed by SEBI, the Stock Exchange or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, the purchaser understands that (i) our Company's financial information contained in the Exchange Information and this Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the U.S. SEC, and (ii) this Letter of Offer does not include all of the information that would be required if our Company were registering the Issue of the Rights Entitlements and the Rights Equity Shares with the U.S.SEC, such as a description of our business and industry, detailed operational data, our management's discussion and analysis of our financial condition and results of operations and audited financial statements for prior years.
12. The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company; and (ii) any of its affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by the or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any of them or their affiliates.
13. The purchaser will not hold our Company, or their affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information.

## **SECTION VIII – STATUTORY AND OTHER INFORMATION**

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at [www.sharanaminfra.co.in](http://www.sharanaminfra.co.in) from the date of this Letter of Offer until the Issue Closing Date.

### **1. Material Contracts for the Issue**

- Registrar Agreement dated October 11, 2022 entered into amongst our Company and the Registrar to the Issue;
- Escrow Agreement dated May 15, 2023 amongst our Company, the Registrar to the Issue and the Bankers to the Issue.

### **2. Material Documents**

- Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- Annual Reports of the Company for the financial years ended March 31, 2020, March 31, 2021 and March 31, 2022.
- Certificate of incorporation issued to SKYHIGH PROJECTS LIMITED on 5<sup>th</sup> February 1992.
- Certificate of commencement of business dated 13<sup>th</sup> February, 1992.
- Fresh Certificate of incorporation issued consequent upon change of name of our Company from SKYHIGH PROJECTS LIMITED to SHARANAM INFRAPROJECT AND TRADING LIMITED on July 29, 2015.
- Resolution of the Board of Directors dated October 4, 2022 in relation to the Issue.
- The Audit report of our Statutory Auditors for the financial year ended on March 31, 2023.
- Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, the Registrar to the Issue, Banker to the Issue for inclusion of their names in the Letter of Offer in their respective capacities.
- Statement of Tax Benefits from the Statutory Auditor included in this Letter of Offer.
- Tripartite Agreement between our Company, Central Depository Service India Limited and the Registrar to the Company dated July 9, 2015.
- Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated September 11, 2015.
- In principle listing approval dated March 24, 2023 issued by BSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

\_\_\_\_\_  
**JIGNESHKUMAR PARSHOTTAMBHAI AMBALIA**  
**Managing Director**  
**DIN: 07784782**

Sd/-

\_\_\_\_\_  
**SAVANKUMAR S SHINGALA**  
**Independent Director**  
**DIN: 08548046**

Sd/-

\_\_\_\_\_  
**SIDDHARTH JAYANTIBHAI PATEL**  
**Independent Director**  
**DIN: 08766790**

Sd/-

\_\_\_\_\_  
**EETI SHAILESHKUMAR PANCHAL**  
**Additional Non-Executive Director**  
**DIN: 09723466**

SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:

SD/-

\_\_\_\_\_  
**JINESH DEEPAKKUMAR MISTRY**  
**Company Secretary & Compliance Officer**

Date: May 23, 2023

Place: Ahmedabad