

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated January 19, 2023 (“Letter of Offer”) which is available on the websites of the Registrar, our Company, the Lead Managers and the Stock Exchange, where the Equity Shares of our Company are listed, i.e. Metropolitan Stock Exchange of India Limited. You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 13 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

Our Company has made available on the Registrar’s website at www.skylinerta.com, the Lead Managers’ website at www.kreocapital.com and the Company’s website at: www.shradhhaindustries.com, the Letter of Offer, Abridged Letter of Offer alongwith the Rights Entitlement Letter and the Application Form for the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Securities and Exchange Board of India (“SEBI”), the stock exchange where the Equity Shares of our Company are listed, i.e., Metropolitan Stock Exchange of India Limited (“MSEI”) (the “Stock Exchange”) and the Lead Manager, i.e., at www.sebi.gov.in, www.msei.in and www.kreocapital.com, respectively.

SHRADHA INDUSTRIES LIMITED

Registered Office : D-91, MIDC, Jalgaon – 425 001, Maharashtra, India;

Corporate Office : Shradha House, 345, Kingsway, Nagpur – 440 001, Maharashtra, India

Telephone: +91-712-6649395; **Website:** www.shradhhaindustries.com

Contact Person : Ms. Harsha Bandhekar, Company Secretary and Compliance Officer

E-mail : shradhaindustrieslimited1@gmail.com

Corporate Identification Number : L51227MH1990PLC054825

PROMOTER OF OUR COMPANY

SHOBHA SUNIL RAISONI, SUNIL RAISONI, MAHENDRA GYANCHAND RAISONI

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF 1,09,46,557 EQUITY SHARES WITH A FACE VALUE OF Rs. 10/- EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF Rs. 15/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs.5/- PER EQUITY SHARE) (THE “ISSUE PRICE”) FOR AN AGGREGATE AMOUNT OF Rs. 16,41,98,355 ON A RIGHTS BASIS TO THE EXISTING EQUITY SHARE HOLDERS OF OUR COMPANY IN THE RATIO OF 44 RIGHTS EQUITY SHARE(S) FOR EVERY 5 FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON WEDNESDAY, JANUARY 25 2023 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 1.5 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 110 OF THE LETTER OF OFFER.

The Equity Shares of our Company are listed on MSEI. Our Company has received “in-principle” approvals from MSEI for listing the Equity Shares through their letter dated Wednesday, December 28, 2022. Our Company will also make application to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 13 dated January 22, 2020. For the purpose of this Issue, designated stock exchange (“DSE”) is MSEI.

Procedure : If you wish to obtain further details in relation to the processes and procedures applicable to the Issue, you may refer to the section titled “Terms of the Issue” on page 110 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, SEBI, MSEI, Registrar and the Lead Managers.

**Assuming full subscription*

ELIGIBILITY FOR THE ISSUE

Our Company is eligible to undertake the Issue in terms of Chapter III of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 (“SEBI ICDR Regulation”) and to make reduced disclosures in the Letter of Offer in terms of Part B of Schedule VI of the SEBI ICDR Regulations. Further, our Company satisfies the conditions specified in Regulations 60 to 98 of the SEBI ICDR Regulations and accordingly, our Company is eligible to undertake the Rights Issue by way of an Issue other than fast track issue.

Whether the Company is compulsorily required to allot at least 75% of the net offer to public, qualified institution buyers: **Not Applicable**, the Issue being a rights issue.

INDICATIVE TIMETABLE

Issue Opening Date	Thursday, February 16, 2023	Date of Allotment (on or about)	Thursday, March 09, 2023
Last Date for On* Market Renunciation	Friday, February 24, 2023	Initiation of Refunds (on or about)	Friday, March 10, 2023
		Date of Credit of Equity Shares to demat account of Allottees (on or about)	Friday, March 10, 2023
Issue Closing Date**	Thursday, March 2, 2023	Date of listing / Commencement of trading of Equity Shares on the Stock Exchange (on or about)	Thursday, March 23, 2023
Finalization of Basis of Allotment (on or about)	Wednesday, March 8, 2023		

Note : The above time table is indicative and does not constitute any obligation on our Company or the Lead Manager.

• *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 Renounees on or prior to the Issue Closing Date i.e. Friday, February 24, 2023.

• **Our Board or a duly authorized committee(if any) 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.

NOTICE TO INVESTORS

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

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

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act 1933, 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, the 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 Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. 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.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have neither been recommended nor approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Specific attention of the investors is invited to the section “**Risk Factors**” beginning on page 19 of the Letter of Offer before making an investment in the Issue and “**Internal Risk Factors**” on page 08 of this Abridged Letter of Offer

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THE ISSUE OF OUR COMPANY

<p>Name of the Lead Manager and Contact Details</p>	<p>Kreo Capital Private Limited Plot No. - 6th floor, B-Wing, Shriram Towers, Civil Lines, Nagpur - 440001. Email Id- info@kreocapital.com SEBI Registered Category I Merchant Banker SEBI Registration No: INM000012689 Telephone: +91-22-41731000/+91 7126652070 Investor grievance E-mail : info@kreocapital.com Website : www.kreocapital.com Contact Person : Mr. Ayush Parakh</p>
<p>Name of Registrar to the Issue and contact details</p>	<p>Skyline Financial Services Pvt. Ltd. A/505, Dattani Plaza, Andheri Phase-I, Kurla Road, Safeed Pool, Mumbai - 400072, Maharashtra, India Phone No : +91-22 62215779/ +91-22 28511022 Email : admin@skylinerta.com Website : https://www.skylinerta.com/ Contact Person : Mr. Subhash Dhingreja SEBI Registration No.: INR000003241</p>
<p>Name of Statutory Auditors</p>	<p>M/s. Paresh Jairam Tank & Co (Chartered Accountant) 101, Laxminarayan Enclave, Opp Dhantoli Garden Main Gate, Bhivapurkar Marg, Dhantoli, Nagpur -440012</p>
<p>Self-Certified Syndicate Banks (“SCSB”)</p>	<p>The banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34</p>
<p>Banker(s) to the Issue</p>	<p>ICICI BANK LIMITED. Telephone Numbers: 9168681193 Contact Person: Mr. Krunal Rokade Address: Akarshan Busiplex 26, Central Bazaar Road Ramdaspath, Nagpur -440010. Email: krunal.h@icicibank.com Website: www.icicibank.com</p>

1. Summary of Business

Our Company is into trading of items like Computers, Computer peripherals, Computer Hardware, and Software, data processors, computerized telecommunication system and networks, calculators, tabulators, machines, appliances, accessories, devices and instruments of every kind and activation for use of industrial, commercial or any other purpose and distribution of IT hardware, software & security products distribution which is broadly categorized into IT consumers & enterprise segment.

For further details, please refer to the chapter titled “Our Business” beginning on page number 40 of Letter of Offer.

2. Summary of Objects of the Issue and Means of Finance

The issue proceeds are to be utilized for financing the following objects:

1. Long Term Working Capital Requirements for Trading of Computers
 2. General Corporate Purpose
 3. To meet issue expenses
- (Collectively referred as the “Objects”)

Net Proceeds

The details of the Net Proceeds are set forth below:

SN.	Particulars	Amount (Rs in Hundreds)
1.	Gross Proceeds of the Issue	16,41,983.55
2.	Less: Issue related expenses in relation to Issue	50,000.00
	Net Proceeds	15,91,983.55

Requirement of Funds and Utilization of Issue Proceeds

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

SN.	Particulars	Amount (Rs in Hundreds)
1.	Long Term Working Capital Requirements for Trading of Computers	11,93,987.97
2.	General Corporate Purpose	3,97,995.58
	Total	15,91,983.55

For further details please see “Objects of the issue” on page number 33 of Letter of Offer.

Means of Finance

The fund requirements set out in the Objects of the Issue are proposed to be met entirely from the Proceeds of the Rights Issue and internal accruals. 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, excluding the amount to be raised from the issue.

3. Name of the Monitoring agency:

Since the issue size is less than Rs. 1,00,00,000/- Hundreds, there is no requirement to appoint the monitoring agency to monitor the utilization of the Net Proceeds in terms of Regulation 82(1) of the SEBI (ICDR) Regulations by our Company.

4. Shareholding Pattern:

Shareholding Pattern of our Company as per the last filing with the Stock Exchanges (i.e. as on 30th day of September, 2022) in compliance with the provisions of the SEBI Listing Regulations:

Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Share-s (calculated as per SCRR, 1957) As a% of	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	11	928670	928670	74.66	928670
(B) Public	509	315257	315257	25.34	101300
Grand Total	520	1243927	1243927	100.00	1029970

For further details please see “Shareholding Pattern of our Company” on page number 30 of Letter of Offer.

5. Board of Directors

Sr. No.	Name, Designation, Address, Occupation, Term, DOB and DIN	Age (Years)	Other Directorships
1.	Mr. Sunil Raisoni Designation: Managing Director Address: Shradha Bunglow, Plot No. 75, Shivaji Nagar, Shankar Nagar S.O., Nagpur-440010, Maharashtra Occupation: Business Period of Directorship: w.e.f. 18th November 2022 Term: Five years effective from 18th November 2022, Date of birth: 11/12/1961 DIN: 00162965	61	1. RATLAM RAILWAY INFRA PRIVATE LIMITED (Director) 2. MOUNT ABU RAILWAY INFRA PRIVATE LIMITED (Director) 3. SGR INFRA TECH LIMITED (Director) 4. GHR SONS EDUCATIONAL AND MEDICAL RESEARCH FOUNDATION (Director) 5. ANKUSH SHIKSHAN SANSTHA (Director) 6. CHAITANYA BAHUUDDESHIYA SANSTHA (Director) 7. G.H. RAISONI EDUCATIONAL AND MEDICAL FOUNDATION (Director) 8. G. H. RAISONI FOUNDATION (Director) 9. S.G.R FOUNDATION (Director) 10. G. H. RAISONI TECHNOLOGY BUSINESS INCUBATOR FOUNDATION (Director)
2.	Anjana Tolani Designation: Non-Executive, Independent Director - Non Promoter Address: Plot No. 36, S N Tolani, Khamla Road, Sindhi Hindi High School, Sindhi Colony, Khamla, Nagpur MH IN - 440025 Occupation: Professional Period of Directorship: : w.e.f. 18th November 2022 Term: Five years effective from 18th November 2022, Date of birth: 18/04/1991 DIN: 09794298	31	NIL

3.	<p>Kalpesh Lalitkumar Bafna Designation: Non-Executive, Independent Director - Non Promoter Address: Sonika 8291-212 Nandanwan Colony Behind Jakhete Petrol Pump, Khajamiya Chauk Jalgaon 425001 Mh In Occupation: Business Period of Directorship: since 25th March 2016 Term: 5 years from 30th September, 2021 up to 30th September, 2026 Date of birth: 04/09/1978 DIN: 07484027</p>	44	NIL
4.	<p>Swapnil Shivkumar Agrawal Designation: Non-Executive, Independent Director - Non Promoter Address: Near Paranjape School, Plot No.222, Khare Town Dharam Peth, Shankar Nagar S.O, Nagpur MH 400010 Occupation: Employed Period of Directorship: w.e.f. 7th November 2022 Term: for a period of 1 year Date of birth: 13/02/1978 DIN: 01709908</p>	44	<ol style="list-style-type: none"> 1. Bindraban horticulture pvt. Ltd.- Managing Director 2. AA Energy Private Limited- Wholetime Director 3. Nandkishore Lifespaces Private Limited- Director 4. Infobay Interactive India Private Limited- Director 5. Tisha Navigation Private Limited- Director
5.	<p>Ajay Kumar Gandhi Designation: Non-Executive, Independent Director - Non Promoter Address: Flat No. B-5 AUM Ganga 120 Farmland, Ramdaspath Nagpur Maharashtra India 440010 Occupation: Business Period of Directorship: w.e.f. 7th November 2022 Term: for a period of 1 year Date of birth: 29/03/1962 DIN: 09516767</p>	60	Gandhi Topline Private Limited-Director

6. Neither our Company nor our Promoters or our Directors have been or are identified as Wilful Defaulters or a Fraudulent Borrower.

7. Summary of Financial Information

The following table sets forth summary of the financial information derived from the Audited Financial Statement for the Financial year ended March 31, 2022 and Unaudited Financial statement for the 6 months ended September 30, 2022 and prepared in accordance with recognition and measurement principles of INDAS 34 and Regulation 33 of SEBI (LODR) Regulations, 2015, which are subjected to Limited Review by Statutory Auditors of the Company.

(In Hundreds other than share data)

Particulars	September 30, 2022	March 31, 2022
Total Income from Operations (net)	1,54,824.64	9,40,039.42
Net Profit/(Loss) before Tax and extraordinary items	43,130.77	5,82,271.31
Net Profit/(Loss) after Tax and extraordinary items	20,347.18	4,25,052.61
Equity Share Capital	1,24,392.70	1,24,392.70
Reserves and Surplus	21,25,520.64	2,032,376.26
Net Worth	22,49,913.34	2,156,768.96
Basic earnings per share (₹)	Basic 1.64/-	Basic 34.17/-
Diluted earnings per share (₹)	Diluted 1.64/-	Diluted 34.17/-
Net asset value per share (₹)	180.87	173.38
Return on Net Worth (RONW) (excluding revaluation reserve) (in %)	1.39%	31.01%

8. INTERNAL RISK FACTORS

The below mentioned risks are the top five factors as per the Letter of Offer

1. SIL's success depends on its ability to identify and respond to constantly changing customer demands and preferences and changing technologies and Implementation of new technologies in business
2. SIL's ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures and financial condition. Investors of Rights Equity Shares are only entitled to dividend in proportion to the amount paid up and the voting rights shall also be proportional to such investor's share of the paid-up equity capital of our Company.
3. SIL may not be able to successfully implement our business strategies.
4. Failure to retain our management team and other key personnel could harm our business.
5. SIL Business and profitability will suffer if we fail to train our executives in new technologies in order to keep pace with rapid changes in technology and the industries on which we focus. For further details, see the section "Risk Factors" on page 19 of the Letter of Offer.

9. SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings pertaining to our Company as on the date of this Letter of Offer is provided below. For details of the material outstanding litigation proceedings including criminal proceedings and civil proceedings, please see "Outstanding Litigations, Defaults and Material Developments" on page 104 of the Letter of Offer.

Nature of proceedings	Number of outstanding cases	Amount involved (in Lakhs)
Cases filed against our Company		
Civil	Nil	Nil
Cases filed by our Company		
Civil	Nil	Nil
Criminal (under section 138 of the Negotiable Instruments Act)	Nil	Nil

10. TERMS OF THE ISSUE

This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, before submitting an Application Form. Our Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA process are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter is correctly filled up.

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.

The Rights Equity Shares proposed to be issued in the Issue, are subject to the terms and conditions contained in this the Letter of Offer, the Abridged Letter of Offer, the Common Application Form (“CAF”), the Memorandum of Association and Articles of Association of our Company, the provisions of the Companies Act, FEMA, SEBI ICDR Regulations, SEBI Listing Regulations, any other regulations, guidelines, notifications and regulations for issue of capital and for listing of securities issued by SEBI, the RBI, the Government of India and/or other statutory and regulatory authorities and bodies from time to time, and the terms and conditions as stipulated in the Allotment advice or letters of Allotment or demat credit of securities and rules as may be applicable and introduced from time to time.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of SEBI circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue by using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

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

Allotment of Rights Equity Shares pursuant to this Rights Issue shall be only in dematerialized form. Hence, the physical shareholders shall be required to provide their demat account details to the Company / Registrar to the Issue for credit of their Rights Entitlements not later than two working days prior to the issue closing date.

*The Issuer Company i.e. Shradha Industries Limited availing the Bombay Stock Exchange platform for ASBA facility because MSEI does not have ASBA platform.

Important:

Facilities for Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular, bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 , bearing reference number SEBI/ HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular bearing reference number

SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 (Collectively hereafter referred to as “SEBI Rights Issue Circulars”) and 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, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the SEBI Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021 (Collectively hereafter referred to as “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 “Procedure for Application through the ASBA Process” on page numbers 117 respectively.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI / HO / CFD / DIL1 / CIR / P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021. Our Company will make use of advertisements in television channels, radio, internet etc., including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India.

For details of procedure for application by the Eligible Equity Shareholders holding Equity Shares as on the Record Date, see “Terms of the Issue- Process of Making an Application in the Issue” on page 110 of the Letter of Offer.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 44 (forty four) Rights Equity Shares for every 5 (five) Equity Shares held on the Record Date.

Fractional Entitlements

As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, in case of fractional entitlements of RE's to be credited before issue opening date, the fractional part shall be ignored by rounding down the entitlement.

Renunciation

The Issue includes a right exercisable by you to renounce the Rights Entitlement offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not allot the Rights Equity Shares in favour of the following Renounees: (i) more than three persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors); (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an HUF acting in his capacity of Karta); or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860, as amended or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorised under its constitution or bye-laws to hold equity shares, as the case may be). Additionally, the Eligible Equity Shareholders may not renounce in favour of “U.S. Persons” (as defined in Regulation S) or persons or entities which would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.

The CAF can be used by both the Eligible Equity Shareholder and the Renounee. The renounee can make the application in electronic mode only if such facility is available with such SCSBs. In case where the application through electronic mode is not available with the SCSB, the renounee shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

Renounee(s), applying for all Rights Equity Shares renounced in their favour, can also apply for additional Rights Equity Shares in the Issue. Renounee(s) are also advised to ensure that the CAF is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on Application as stated in the CAF will be blocked by the SCSB. The list of SCSBs would be available on the reverse of the CAF.

This right of renunciation is subject to the express condition that our Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Procedure of renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same either in full or in part in favour of any other person or persons in India only either a) by using the secondary market platform of the Stock Exchanges (“On Market Renunciation”) or b) through off market transfer (“Off Market Renunciation”) during the Renunciation Period.

a) On Market Renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same by trading them over 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 are being traded.

In this connection, in terms of provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - INE489B20015 . The details for trading in Rights Entitlements will be as specified by MSEI from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlement. The trading in Rights Entitlements on the Stock Exchange shall commence from the Issue Opening Date i.e Thursday, February 16, 2023 and shall close on Friday, February 24, 2023 (both days inclusive) or such other extended date as may be determined by our Board from time to time.

The Investors holding the Rights Entitlements in their demat account who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN - INE489B20015. and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

The Investors who intend to trade in the Rights Entitlements should consult their respective stock brokers for payment to them of any cost, applicable taxes, charges and expense s (including brokerage) that may be levied by the stock brokers for trading in Rights Entitlements.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expense (including brokerage) levied by the stock brokers, and such costs will be incurred solely by the Investors.

b) Off Market Renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same through off market transfer through a depository participant in the same manner as the existing Equity Shares of our Company can be transferred.

The Rights Entitlements can be transferred in dematerialized form only. The Rights Entitlements can be renounced through off market transfer from the Issue Opening Date i.e Thursday, February 16, 2023 or such other extended date as may be determined by our Board from time to time.

The Investors holding the Rights Entitlements in their demat account 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 - INE489B20015 , the details of the buyer and the details of the Rights Entitlements they intend to transfer.

The buyer of the Rights Entitlements (unless he has already given a standing receipt instruction) must issue a receipt instruction slip to his 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 and only during the Renunciation Period. The transfer shall take on the execution date mentioned in the instruction slip and the settlement shall be carried out through depository transfer mechanism in the same manner as done for all other type of securities.

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 REs which are neither renounced nor subscribed by the shareholders, will lapse after the closure of Rights Issue.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Entitlement offered without renouncing them in whole or in part in favour of any other person(s). Renouncee(s), applying for all Rights Equity Shares renounced in their favour, can also apply for additional Rights Equity Shares in the Issue. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled "Terms of the Issue" on page number 110 of the Letter of Offer. If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Rights Equity Shares in the CAF. Those applying through the electronic mode are required to punch in their requirement for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Intention of promoters to subscribe to their rights entitlement;

Our Promoter(s) and entities forming part of our Promoter Group have, vide their letters dated 18th November 2022 (the "Subscription Letters") undertaken that they may (i) subscribe to their Rights Entitlements in the Issue or may renounce a portion of their Rights Entitlements in favour of the Promoters or other member(s) of our Promoter Group or in favour of existing shareholders of the Company (ii) may subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally within the Promoter(s) or any other members of the Promoter Group, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws/ regulations. In the event the minimum subscription to be received in the issue is not received, the unsubscribed portion shall be subscribed by the underwriter of the issue – in compliance with the SEBI ICDR Regulations.

Availability of Offer document immediately preceding rights issue for inspection: Available

11. ANY OTHER IMPORTANT INFORMATION AS PER LEAD MANAGER/COMPANY

Application on Plain Paper

An Eligible Equity Shareholder who has neither received the CAF nor is in a position to obtain the CAF either from our Company, Registrar to the Issue, Manager to the Issuer or from the website of the Registrar, can make an application to subscribe to the Issue on plain paper through ASBA process. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

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 Specified 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 dematerialized

form; and (ii) a escrow demat account (namely, “ESCROW DEMAT A/C FOR CREDIT FOR RIGHTS ENTITLEMENT-SHRADHA INDUSTRIES LIMITED”) 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. (g) if an eligible equity shareholder makes an application both in an application form as well as on a plain paper , both applicable are liable to be rejected (h) eligible equity shareholders making an application on plain paper shall not be entitled to renounce their rights and shall not utilise the application form for any purpose including renunciation even if it is received subsequently.

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 then 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.

12. DECLARATION BY OUR COMPANY

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Offer Document is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Offer Document are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Sd/- Sunil Raison Managing Director DIN: 00162965	Sd/- Kalpesh Bafna Non-Executive, Independent Director DIN: 07484027
Sd/- Anjana Tolani Non-Executive, Independent Director DIN : 09794298	Sd/- Swapnil Shivkumar Agrawal Non-Executive, Independent Director DIN : 01709908
Sd/- Ajay Kumar Gandhi Non-Executive, Independent Director DIN : 09516767	Sd/- Pritam Raison Chief Financial Officer PAN: ADKPR9324D
Sd/- Harsha Bandhekar Company Secretary & Compliance Officer PAN: AMJPB3787E	

Place: Nagpur
 Date : 19th January 2023